

PLEASE DO NOT REMOVE PAPERS FROM THIS FILE

**Legislative Reference Service
Office of General Counsel
Department of Defense**

H.R. 6370

97th C

July 28, 1982

CONGRESSIONAL RECORD — HOUSE

Mr. FAIR, Mr. FRANK, Mr. BROWN of California, Mr. BARNES, and Mr. BARNES.
H. Res. 445: Mr. SUTER, Mr. HARRIS, Mr. MIKULSKI, Mr. DYMALLY, Mr. WAXMAN, Mr. ROX, Mr. BARNES, and Mr. DWYER.

DELETIONS OF SPONSORS FROM
PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 518: Mrs. BOUQUARD.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3643

By Mr. BROWN of Colorado:

—Page 147, after line 21, add the following new section:

SEC. 21. RELEASE OF DEED RESTRICTIONS.

(a) Notwithstanding section 16 of the Federal Airport Act (as in effect on September 14, 1981), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (54 App.

U.S.C. 1625c), and the provisions of subsection (b) of this section, to grant release from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated September 14, 1981, under which the United States conveyed certain property to the city of Grand Junction, Colorado, for airport purposes and the deed of conveyance dated March 34, 1975, under which the city of Grand Junction, Colorado, conveyed such property to the Walker Field Public Airport Authority.

(b) Any release granted by the Secretary of Transportation under subsection (a) shall be subject to the following conditions:

(1) The property for which releases are granted under this section shall not exceed a total of eighteen acres.

(2) The Walker Field Public Airport Authority shall agree that in leasing, or conveying any interest in, the property for which releases are granted under this section, such Authority will receive an amount which is equal to the fair lease value or the fair market value, as the case may be (as determined pursuant to regulations issued by such Secretary).

(3) Any such amount so received by the Walker Field Public Airport Authority, shall be used by such Authority for the development, improvement, operation, or

maintenance of the Walker Field Public Airport.

H.R. 5203

By Mr. HARKIN:

—Page 63, strike out line 21 and all that follows through line 19 on page 63.

H.R. 5370

By Mr. BAILEY of Pennsylvania:

—Add the following new section at the end of the bill:

REPORT OF OFFENSES TO VIETNAM

Sec. 605. (a) No person shall export from the United States any currency directly or indirectly to any person in Vietnam.

(b) Any person who violates the provisions of subsection (a) shall be fined not more than \$10,000 or imprisoned not more than one year, or both.

(c) The President shall issue such regulations as are necessary to carry out this section.

(d) If the President determines that the Government of Vietnam is returning to Vietnam those Vietnamese nationals whom that Government has sent against their will to other Communist countries, then the President may suspend the provisions of this section.

House Calendar No. 123

97TH CONGRESS
2D SESSION

H. RES. 491

[Report No. 97-596]

Providing for the consideration of the bill (H.R. 6370) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize additional international security and development assistance programs for fiscal year 1983, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 2, 1982

Mr. PEPPER, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

15 JUN 1982

Providing for the consideration of the bill (H.R. 6370) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize additional international security and development assistance programs for fiscal year 1983, and for other purposes.

- 1 *Resolved*, That upon the adoption of this resolution it
- 2 shall be in order, section 303(a) of the Congressional Budget
- 3 Act of 1974 (Public Law 93-344) to the contrary notwith-
- 4 standing, to move that the House resolve itself into the Com-
- 5 mittee of the Whole House on the State of the Union for the

1 consideration of the bill (H.R. 6370) to amend the Foreign
2 Assistance Act of 1961 and the Arms Export Control Act to
3 authorize additional international security and development
4 assistance programs for fiscal year 1983, and for other pur-
5 poses. The first reading of the bill shall be dispensed with,
6 and all points of order against the following provisions in said
7 bill for failure to comply with the provisions of clause 5, rule
8 XXI are hereby waived: sections 107, 112, 113, 201, 502,
9 and 503. After general debate, which shall be confined to the
10 bill and shall continue not to exceed one hour, to be equally
11 divided and controlled by the chairman and ranking minority
12 member of the Committee on Foreign Affairs, the bill shall be
13 read for amendment under the five-minute rule by titles in-
14 stead of by sections, and each title shall be considered as
15 ~~having~~ ^{being} been read. At the conclusion of the consideration of
16 the bill for amendment, the Committee shall rise and report
17 the bill to the House with such amendments as may have
18 been adopted, and the previous question shall be considered
19 as ordered on the bill and amendments thereto to final pas-
20 sage without intervening motion except one motion to
21 recommit.

House Calendar No. 123

97TH CONGRESS
2D SESSION

H. RES. 491

[Report No. 97-596]

RESOLUTION

Providing for the consideration of the bill (H.R. 6370) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize additional international security and development assistance programs for fiscal year 1983, and for other purposes.

JUNE 2, 1982

Referred to the House Calendar and ordered to be printed



.

.

.



INTERNATIONAL SECURITY AND DEVELOPMENT
COOPERATION ACT OF 1982

MAY 17, 1982.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. ZABLOCKI, from the committee on Foreign Affairs,
submitted the following

REPORT

together with

ADDITIONAL, MINORITY, AND SUPPLEMENTAL VIEWS

[To accompany H.R. 6370]

[Including cost estimate of the Congressional Budget Office]

The Committee on Foreign Affairs, to whom was referred the bill (H.R. 6370) to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize additional international security and development assistance programs for fiscal year 1983, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

COMMITTEE COMMENT

Foreign assistance is a traditional and essential U.S. foreign policy instrument for promoting and protecting U.S. interests around the world. Moreover, it serves to enhance U.S. security in a world environment that contains many dangers, much conflict, several enemies potential and otherwise, and few helpful friends. Recognizing the importance of foreign assistance to U.S. interests and U.S. national security, the committee and the Congress have annually approved foreign aid of several distinct forms, all collectively aimed to serve U.S. national goals.

In the present foreign assistance bill, the committee has recommended assistance levels necessary to extend security, economic

94-239 O

15 JUN REC'D

supporting, development, and other assistance programs throughout the world. Thus, the bill aims to address short-term and long-term international security and development problems in ways that will help promote peaceful change and progress in the coming decades. The assistance to be furnished under the authority of this legislation will help U.S. friends and allies assure themselves of security protection, in some cases in the face of real and present threats. It will also transfer U.S. skills and resources so that the world's most needy people can aspire to live in better economic conditions.

The committee and the Congress authorized a 2-year foreign assistance authorization bill in December 1981 (Public Law 97-113). However, at the beginning of this year, President Reagan asked for additional authority, particularly for security assistance to certain countries which the administration considers important to U.S. interests. As Secretary of State Haig testified before the Committee on March 2, the administration has decided that the "overwhelming proportion of our 1983 aid program will go to nations which share our strategic concerns or which are situated to improve our own diplomatic and military capabilities."

The bill is particularly important in supporting the following United States objectives:

1. *Continued support for Middle East peace progress.*—Encouraging further peace efforts in the Mideast has been a primary objective of foreign aid legislation in recent years. The final return in recent weeks of Israeli-occupied Sinai lands to Egypt proves that the Camp David process can result in peaceful transition consistent with United Nations Security Council resolution. Foreign aid legislation and the funding it provides to Mideast countries, as well as to Mideast peacekeeping operations, has been absolutely essential to such Mideast peace progress. The future challenges are no less difficult than those that have been surmounted. Therefore, strong support from the United States, particularly through Economic Support Fund assistance and foreign military sales financing, remains important in maintaining conditions so that countries in the region can continue to pursue the path of peace. The following table indicates the levels of Mideast assistance recommended in this bill and the amounts authorized in Public Law 97-113:

MIDDLE EAST ASSISTANCE

(Dollars in millions)

Country	Grant military assistance	FMS direct credits	FMS guarantees	Grant military training	ESF/ peacekeep- ing	Develop- ment assistance	Total
Egypt.....	\$400	\$900	\$2	\$750			\$2,052
Israel.....	750	950		785			2,485
Jordan.....	\$0.9		75	2	20		97.9
Lebanon.....			15	.75	8		23.75
Oman.....			40	.1	15		55.1
Yemen.....	4.0		11	1.5		\$27.5	44
Mideast regional.....					15	4.4	19.4
Multilateral Force and Observers.....					34.474		34.474
Total.....	4.9	1,150	1,991	6.35	1,627.474	31.9	4,811.624

MIDDLE EAST ASSISTANCE—Continued

(Dollars in millions)

Country	Grant military assistance	FMS direct credits	FMS guaranties	Grant military training	ESF/peacekeeping	Development assistance	Total
Percent of total program.....	1	96	49	14	56	2	44

¹ Repayment forgiven.² 30 years to repay, including an initial 10-year grace period on repayment of principal.

2. *Defense cooperation/U.S. facilities access and bases.*—Another major funding area in the bill provides assistance to countries where the United States maintains military bases or has access to facilities for military use. Such facilities are becoming increasingly important given the mission of the rapid deployment force and given the ability of the Soviet Union to project its own military forces throughout the world. Approximately \$2 billion in programs funded by the bill and Public Law 97-113 will allow the extension of security assistance to such U.S. base rights countries as Spain, Portugal, Greece, Turkey and the Philippines, and to such countries as Kenya, Oman, and Somalia where the United States has access to facilities. The following table indicates levels of assistance in the bill related to U.S. bases and facilities access:

FACILITIES ACCESS AND BASES ASSISTANCE ESTIMATED PROGRAM

(Dollars in millions)

Country	Grant military assistance	FMS guaranties	Grant military training	Economic Support Fund	Total
Philippines.....	\$0.75	\$50	\$1.3	\$50	\$102.05
Greece.....	.87	325	1.7		327.57
Portugal.....	31	60	2.6	20	113.60
Spain.....	.50	400	3	12	415.50
Turkey.....	120.60	345	3.5	350	819.10
Kenya.....	12.8	19.2	1.5	30	63.50
Somalia.....	8	12	.55	25	45.55
Oman.....		40	.1	15	55.10
Total.....	174.52	1,251.2	14.25	502.0	1,941.97
Percent of total worldwide program.....	50	31	32	17	18

3. *Assisting friends to defend themselves against aggression.*—The bill provides assistance to countries such as Thailand, Republic of Korea, and Pakistan, countries facing clear potential threats. U.S. assistance complements force improvement efforts underway in these countries for which the countries themselves are providing considerable national resources. For example, Korea, which faces a steady and significant buildup of strength from the North, must spend 6 percent of its GNP for its force improvements. U.S. assistance to such countries, which is almost entirely on a loan basis, supplements such national efforts.

Often overlooked is the fact that much of the security assistance that the United States provides to friendly foreign countries is in the form of financing for which the United States is repaid principal plus interest. In fact, the single largest category under military

In addition to these earmarks and conditions, the committee recommends a \$50 million foreign military sales guaranty program for Morocco and an \$85 million foreign military sales financing program for Tunisia with the grant/guaranty formula applying.

The committee strongly believes that the U.S. Government should not provide Morocco any training which has as its principal purpose improving the ability of the Moroccan armed forces to carry out offensive counterinsurgency military activities in the Western Sahara.

The committee fully supports the testimony before the Subcommittee on Africa, by Deputy Assistant Secretary of State Peter Constable, who confirmed that there is a firm resolve on the part of the U.S. Government that no U.S. military advisers will be permitted to perform official functions in the Western Sahara.

The committee requests that the President submit a detailed report to the Congress every 6 months on all training provided to the Moroccan armed forces. Such report shall include a description of the training provided and a statement of the purposes of such training.

The term "training" means any training under chapter 2, chapter 5, or chapter 8 of part II of the Foreign Assistance Act of 1961 or under the Arms Export Control Act, but does not include training with respect to use, maintenance, or repair of defense articles.

The committee continues to believe that the purposes of arms sales to Morocco are to strengthen that country's capability to defend its territorial integrity; it continues to maintain that the U.S. Government should remain neutral on the ultimate status of the Western Sahara, all the while acknowledging that there is no clear military solution for either side in the conflict.

However, the committee also believes that it is in the U.S. foreign policy interest to encourage a negotiated, internationally recognized solution based on self-determination to the conflict in the Western Sahara in order to preserve political stability in the region, avoid the internationalization of the conflicts, and respond to international concerns.

Furthermore, the committee continues to support efforts to enhance the prospects for a negotiated political settlement to the conflict in an African context and continues to encourage all parties to the conflict to work within the Organization of African Unity or any other international body to achieve a peaceful solution to the conflict in the Western Sahara.

The committee hopes the executive branch will continue to adhere to its policy of terminating assistance to Somalia if regular Somali troops reenter the Ogaden.

The Somali Government should continue to work with private voluntary organizations and international organizations to assure that relief supplies reach Ogaden refugees.

While the committee did not adopt an amendment this year to add \$55 million to the foreign military sales financing program to earmark the purchase of two C-130-H aircraft by Burma, it believes that the single most effective measure which can be undertaken to reduce the flow of opium from Burma would be to help Burma improve its capability to project its forces into the Shan State of Burma where 80 percent of the Golden Triangle opium is

grown. Accordingly, the committee recommends that such funding be seriously considered for fiscal year 1984, with adequate weight given to the narcotics control benefit which would flow from this measure.

Section 102—Conditions on Increased Military Sales Financing for Greece and Turkey

Section 102 consists of three subsections.

Subsection (a) reaffirms U.S. policy toward the Eastern Mediterranean which is contained in section 620C of the Foreign Assistance Act of 1961. Section 620C establishes principles for a peaceful settlement of the Cyprus conflict, provides that security assistance to Greece and Turkey be solely for defensive purposes, and requires 60-day recurring reports to Congress on progress made toward a negotiated solution of the Cyprus problem.

Subsection (b) stipulates that any fiscal year 1983 foreign military sales financing for Turkey and Greece that exceeds the level of financing provided for those countries in fiscal year 1982 may only be provided if the President submits a certification stating that:

- (1) Additional foreign military sales financing for that country is necessary to enable it to fulfill its obligations as a member of the North Atlantic Treaty Organization and will not upset the current balance of military strength among the countries of the Eastern Mediterranean region;
- (2) That country is taking steps, including good faith support for the intercommunal talks conducted under United Nations auspices, to achieve a settlement of the conflict on Cyprus, including the withdrawal of foreign troops from Cyprus; and
- (3) In the case of Turkey, that country is implementing a program for a prompt return to democratic rule and to the observance of internationally recognized human rights.

Subsection (c) states that for the purposes of the requirements of subsection (b), foreign military sales financing means credits and guaranties under the Arms Export Control Act and related assistance under the grant military assistance program authorized under the Foreign Assistance Act of 1961.

In addition to the conditions on FMS financing contained in this section, the committee specified that none of the Economic Support Fund assistance for Turkey under title III of this bill be used to aggravate the conflict on Cyprus.

Section 103—Limitations on Assistance for Zaire

Section 103 consists of two subsections.

Subsection (a) limits fiscal year 1983 foreign military sales financing to Zaire to \$4 million and specifies that the entire amount must be in guaranteed loans and not direct credits. The executive branch had proposed a foreign military sales financing program of \$20 million, all in direct credits. Unlike guaranties, direct credits require authorization of the full amount of loans extended.

Subsection (b) prohibits any Economic Support Fund assistance to Zaire in fiscal year 1983.

The executive branch had proposed \$15 million for this purpose.

The committee restricted FMS financing for Zaire to a level of \$4 million and prohibited ESF for Zaire because of reports of repression and governmental corruption.

Section 104—Administrative Surcharge

Section 104 amends subparagraph (A) of section 21(e)(1) of the Arms Export Control Act to exclude from the full-cost recoupment requirement of that section a pro-rata share of fixed-base operations costs.

In taking this action, the committee accepts the executive branch view that full-cost recovery is not meant to include fixed-base operations costs for such minor expenses as grass cutting and chapel maintenance. However, the committee fully expects the Department of Defense to recoup all the costs associated with the administration of the FMS program including the costs of facility rental, utilities, and supervisory, clerical, and other administrative personnel, including part-time personnel.

The committee's action reflects its intent to eliminate subsidy of the FMS program by the U.S. taxpayer while addressing the Department of Defense request to exclude fixed-base operations costs from the definition of full-cost recovery as prescribed by the Arms Export Control Act. The committee defines fixed-base operations costs to include only the following: Alcohol and drug abuse programs, fire protection, pest control, laundry and dry cleaning, food service, base chaplain, morale, welcome and recreation, and restoration of historical landmarks.

The committee fully expects this action will resolve the ongoing dispute between the Department of Defense and the General Accounting Office on the definition of "full-cost recovery," that the Department of Defense will fully comply with the spirit and intent of the law as amended by recouping all the applicable costs associated with the FMS program, and that the GAO will recognize the distinction as drawn by the committee.

Section 105—Security Assistance Surveys

Section 105 amends section 26 of the Arms Export Control Act to expand the definition of defense survey team reports to which the Congress has access upon a request from the chairman of the House Foreign Affairs Committee or the chairman of the Senate Foreign Relations Committee, and which are listed in the quarterly report to Congress under section 36(a) of the Arms Export Control Act.

As a result of this section, the reports received under section 26 will include any survey or study conducted in a foreign country by U.S. Government personnel for the purpose of assessing the needs of that country for security assistance, and includes defense requirement surveys, site surveys, general surveys or studies, and engineering assessment surveys, and any other similar report.

Section 106—Quarterly Reports on U.S. Military Advisers Abroad

Section 106 amends section 36(a)(7) of the Arms Export Control Act to clarify the types and numbers of U.S. military and civilian personnel conducting military assistance and sales program activi-

ties overseas that are reported under section 36(a)(7) on a quarterly basis.

Under the terms of section 106, the quarterly report shall include the number of U.S. military and civilian personnel, and U.S. civilian contract personnel who were in foreign countries at the end of or any time during the quarter in implementation of commercial arms sales, foreign military sales, grant military assistance, grant military education and training, peacekeeping operations assistance, and anti-terrorism assistance programs. Security assistance teams assigned for temporary periods to perform specific tasks (e.g., mobile training teams) are to be included in the quarterly report under section 36(a)(7).

Section 107—Government Furnished Equipment or Materials

Section 107 consists of three subsections.

Subsection (a) provides that, subject to the conditions specified in subsection (b), the President is authorized to sell, or procure and manufacture for sale, defense articles and unclassified defense service publications to U.S. commercial firms, for incorporation into defense articles for subsequent licensed commercial arms sales to friendly foreign countries and international organizations.

Subsection (b) provides that defense articles and unclassified defense service publications may be sold, or procured and manufactured for sale, by the U.S. Government to U.S. firms only if—

- (1) the end item is for armed forces of a friendly foreign country or international organization;
- (2) the defense articles and unclassified defense service publications to be incorporated would otherwise be supplied to U.S. firms if the end item was for U.S. forces; or
- (3) the defense articles and unclassified defense service publications are available only from the U.S. Government or are not available to the prime contractor directly from U.S. commercial sources when required to meet his delivery schedule.

Subsection (c) provides that for purposes of this section, the term "defense article" means the same as defined in the Arms Export Control Act.

It is the committee's intent that this proposal should not result in stimulating or significantly increasing commercial arms sales at the expense of government-to-government sales and should not be used in any way which may lead to drawdowns from U.S. stocks that would result in a significant adverse impact on the combat readiness of the Armed Forces of the United States.

Section 108—Charges for Administrative Services

This section amends section 43(b) of the Arms Export Control Act to expand the definition of expenses related to foreign military sales which can be included in administrative costs charged to foreign governments. Extraordinary expenses which would be allowed under the amendment consist of security assistance representational activities undertaken by U.S. security assistance management personnel in the implementation of U.S. military assistance and sales programs. This provision would add no costs to the U.S. Government.

Section 109—Prohibition on Acquisition of Export Fighter Aircraft for the Special Defense Acquisition Fund

Section 109 consists of two subsections.

Subsection (a) amends section 51 of the Arms Export Control Act to create a new subsection 51(d) that prohibits the use of funds authorized for the Special Defense Acquisition Funds (SDAF) for the acquisition of any aircraft which was designed specifically for export sales and which is not in the inventory of the Department of Defense or is in the inventory of the Department of Defense solely for training purposes.

In establishing the SDAF last year, the committee did so based on executive branch guidelines that procurement of items for the SDAF would be those of high foreign demand that are in short supply and in U.S. inventory; would consist of relatively unsophisticated military items such as medium tanks, artillery, ammunition, antitank missiles, and basic communications systems; would have no adverse impact on U.S. defense readiness; and would not stimulate unnecessary foreign arms sales.

Contrary to assurances provided Congress by the Department of Defense, the committee learned that the Department of Defense was planning to use SDAF funds to procure fighter aircraft for export only. In adopting this section the committee does not intend to express disapproval of foreign military sales of fighter aircraft for export only. Such aircraft sales are often preferable to sales of more advanced frontline fighter aircraft. However, the SDAF was not created to fund or promote such sales.

The committee therefore reiterates its original intent that the SDAF should be used only for relatively unsophisticated high foreign demand items that are in short supply and in the U.S. inventory.

Subsection (b) provides that the effective date of this section be upon date of enactment of the legislation rather than the general effective date of October 1, 1982.

Section 110—Grant Military Assistance Program

This section amends section 504(a)(1) of the Foreign Assistance Act to authorize \$349.34 million in appropriations to carry out grant military assistance programs in fiscal year 1983. This figure is \$110.840 million above the amounts authorized in Public Law 97-113. This amount essentially will fund the grant portion of a combined grant/FMS guaranty formula which will be available for countries for which the executive branch proposed FMS direct credits. The amount of \$311.84 million is available under grant military assistance for countries under this formula. In addition, \$42.9 million is programmed for general costs. These general costs pertain to the worldwide overseas security assistance management program that manages the multi-billion-dollar U.S. military sales program as well as the more modestly funded military assistance program. The Department of Defense anticipates that reimbursements of \$5.4 million can be expected, reducing the authorization requirement to the \$349.34 million contained in the bill.

Section 111—Grant International Military Education and Training

This section amends section 542 of the Foreign Assistance Act of 1961 to authorize the appropriation of \$45.237 million in fiscal year 1983 to carry out international military education and training programs. This figure is \$8.537 million less than that requested by the executive branch and \$3.237 million above the amounts authorized in Public Law 97-113. This funding level will allow the executive branch to carry out the same level of programs as in fiscal year 1982 except for Asian and Latin American programs which can be funded at the levels requested by the executive branch for fiscal year 1983.

The committee report on the International Security and Development Cooperation Act of 1981 noted that no formal request had been made for grant military assistance, grant military education and training, or foreign military financing for Guatemala, and therefore the committee would expect that no such assistance would be provided without prior approval of the Committee on Foreign Affairs. The committee took this position with respect to Guatemala because of concern over the widespread abuse on internationally recognized human rights in that country.

On March 23, 1982, the government of Lucas Garcia was overthrown, and the new government has pledged respect for human rights and political and economic reforms. The committee is encouraged by some of the initial reports of improvements in Guatemala, such as the dramatic decline in violence in the cities, but also has received conflicting reports, such as that violence continues in the countryside. While the committee clearly welcomes the initial actions and policies of the government of Gen. Rios Montt, it feels it would be premature for the United States to move immediately to reestablish a military relationship with Guatemala.

Therefore, the committee expects that its understanding with the executive branch with respect to military assistance, military training, and foreign military sales will continue in effect for the remainder of fiscal year 1982 and fiscal year 1983; that is, that no such assistance will be provided to Guatemala without the approval of the Committee on Foreign Affairs.

Section 112—Exchange Training

Section 112 amends the Foreign Assistance Act of 1961 to create a new section 544 that authorizes the President to provide for the attendance of foreign military personnel without charge on a one-for-one reciprocal basis with U.S. military personnel in each fiscal year. U.S. and foreign military personnel will attend comparable professional military education institutions in the United States and in eligible foreign countries and international organizations. Training conducted under section 544 shall be in accordance with the authorities provided for international military education and training.

Section 113—Peacekeeping Operations

Section 113 consists of three subsections.

Subsection (a) amends section 552(a) of the Foreign Assistance Act of 1961 to authorize the appropriation of \$43.474 million in

fiscal year 1983 to carry out peacekeeping operations programs. The authorization is the same as that requested by the executive branch, and an increase of \$24.474 million over the amounts authorized by Public Law 97-113.

Peacekeeping operations assistance will fund two programs is fiscal year 1983; namely, the U.S. contributions to the Multinational Force and Observers peacekeeping force in the Sinai and the United Nations Forces in Cyprus. The projected program for peacekeeping operations for fiscal year 1983 is shown below:

PEACEKEEPING OPERATIONS

[In thousands of dollars]

	Actual fiscal year 1981	Estimated fiscal year 1982	Proposed fiscal year 1983
Sinai Support Mission.....	¹ 14,928	5,000	
Multinational Force and Observers		125,000	34,474
U.N. Force in Cyprus.....	9,000	9,000	9,000
Chad peacekeeping operation		² 12,000	
Worldwide total	23,928	151,000	43,474

¹ \$1 million from Sinai Support Mission reprogramed to fund start up of Multinational Force and Observers.

² \$12 million transferred from Economic Support Fund to peacekeeping operations under provisions of sec. 610(a) of the Foreign Assistance Act of 1961, as amended.

Subsection (b) amends section 552 of the Foreign Assistance Act of 1961 to authorize the President to draw down for peacekeeping activities, commodities and services from any U.S. Government agency not to exceed \$10 million in any fiscal year. Such sums as may be necessary to reimburse such agency are authorized.

Subsection (c) amends section 652 of the Foreign Assistance Act of 1961 to include the drawdown authority authorized in subsection (b) in the list of authorities in section 652 that require prior notification to Congress when they are exercised.

Section 114—Special Waiver Authority

Section 114 amends section 614(a)(4) of the Foreign Assistance Act of 1961 to establish new ceilings and conditions on the use of that section. Section 614 presently provides the President with authority, notwithstanding any provisions of various acts, to use up to \$250 million in any fiscal year from funds authorized under the Foreign Assistance Act of 1961 and the Arms Export Control Act upon a national security determination by the President; no more than \$50 million may be provided to any one country unless it is threatened by Communist aggression. Section 614 also allows the President, with some exceptions, to waive restrictions, earmarks, and other legal requirements to make an unlimited amount of foreign military sales on a cash basis.

Section 114 establishes the following new conditions and ceilings on the use of section 614. First, it places a \$750 million ceiling in any fiscal year on the amount of unfinanced foreign military sales authorized under section 614. Second, it provides that if the section 614 authority is used both to authorize foreign military sales and to provide financing for those sales, the financing would apply against the \$250 million ceiling in existing law and the portion of the sales not financed would apply against the new \$750 million ceiling.

Third, not more than \$500 million may be provided to any one country in any fiscal year under the combined \$1 billion ceilings (i.e., the new \$750 million ceiling on sales and the \$250 million ceiling in existing law).

Section 115—Notification of Program Changes

Section 115 amends section 634A of the Foreign Assistance Act of 1961 to exempt reprogramming for international narcotics control and grant military education and training under \$50,000 from 15-day congressional prenotification requirements. The only exceptions to this exemption are new programs, activities, or projects under those two accounts which have not been justified to Congress.

Section 116—El Salvador

Section 116 continues and updates section 728 of the International Security and Development Cooperation Act of 1981 regarding military assistance to the Government of El Salvador. Section 116 consists of five subsections.

Subsection (a) takes note of the following factors regarding the situation in El Salvador:

(1) The strong support by the people of El Salvador for a democratic solution to that nation's civil strife as demonstrated by the massive popular participation in the national election held on March 28, 1982;

(2) That those elections were conducted in a free, fair, and open manner with the complete cooperation and neutrality of the armed forces;

(3) That in light of the results of those elections the Bishop of San Salvador, Rivera Y Damas, has called upon the armed opposition to lay down their weapons and join in the ongoing political process;

(4) That a military solution to the conflict in El Salvador will not resolve the political, social, and economic problems of that country;

(5) That the prospects for peace in El Salvador can be enhanced by efforts to insure the broadest possible participation of all the forces and factions in El Salvador in the process of government and in a free and fair electoral process; and

(6) That the peace can be strengthened through an attempt by the Government of El Salvador to provide for the reentry into the political process of the opposition by encouraging negotiations among all parties to the Salvadoran conflict for the purpose of bringing an end to the hostilities and achieving a peaceful and democratic solution to that conflict.

Subsection (b) amends section 728(d)(4) which sets forth conditions which the President must certify as existing in order to be able to provide military assistance to El Salvador in fiscal year 1983. As amended by this subsection, the fourth condition would be that the Government of El Salvador is either (a) actively engaged in good faith in a dialog with all major parties willing to participate in the democratic process to bring about an equitable political solution to the hostilities within the context of free and fair elections, including the extension of amnesty, a cease-fire, and interna-

tional security safeguards if necessary, or (b) unable to proceed with such a dialog because the opposition is unwilling to participate.

The committee wishes to reaffirm its support for the conditions contained in the certification process for El Salvador under existing law. It further wishes to emphasize its concern that the determination by the President related to that process meet both the letter and the spirit of the law. The committee is interested in results, not just statements of intent or ineffective actions. The adoption of additional language in this legislation addressing the conditions in section 728(d) should be viewed as an attempt to reiterate those concerns.

Subsection (c) amends the above-mentioned section 728(d) to provide that the President shall consult with Congress in making the determinations regarding the fulfillment of the conditions, including the requirements under section 728(e) described below.

Subsection (d) extends section 728(e) to provide that the first certification during the fiscal year 1983 on the conditions must be accompanied by a certification by the President that the Government of El Salvador has made good-faith efforts both to investigate the murders of the six U.S. citizens in December 1980 and January 1981 and to bring to justice those responsible for those murders.

Subsection (e) requires the President to consult with Congress prior to the use of the special drawdown authority in section 506 of the Foreign Assistance Act of 1961 or the extension of the waiver authority under section 614(a) of the Foreign Assistance Act of 1961. Furthermore, in making a decision to invoke either of these authorities, the President, to the maximum extent possible, shall take into consideration the certification criteria as established under subsection (d) of section 728 of the International Security and Development Cooperation Act of 1981.

TITLE II—ANTITERRORISM ASSISTANCE

Section 201—Antiterrorism Assistance Program

This section creates a new chapter 8 in the Foreign Assistance Act of 1961 for antiterrorism assistance. It states the purposes for which such assistance is provided. It stipulates that training services shall be provided only in the United States and limits U.S. advisers overseas to a 60-day period. It prohibits the furnishing of defense articles or defense services and requires that the Assistant Secretary of State for Human Rights and Humanitarian Affairs be consulted in program development and implementation. The new chapter 8 also provides for a one-time 30-day prior notification of countries proposed for this new type of assistance. It provides for grants and sales of commodities and services from U.S. Government agencies. It authorizes \$5 million for antiterrorism assistance in fiscal year 1983, provides for an annual report on program activities, includes the new chapter under the human rights provisions of the Foreign Assistance Act of 1961, and establishes September 30, 1984, as the expiration date for the program.

Section 201 consists of three subsections.

Subsection (a) creates a new chapter 8, part II, in the Foreign Assistance Act of 1961 to authorize an antiterrorism assistance program. New chapter 8 consists of five sections.

New section 571 in turn consists of nine subsections. Subsection (a) provides general authority to the President to furnish, on such terms and conditions as the President may determine, assistance to foreign countries in order to enhance the ability of their law enforcement personnel to deter terrorists and terrorist groups from engaging in international terrorist acts.

Subsection (b) provides that activities conducted under new chapter 8 shall be designed for three purposes: To enhance the law enforcement antiterrorism skills of friendly countries, to strengthen our bilateral ties with friendly governments; and to increase respect for human rights.

Subsection (c) stipulates that training services provided under this chapter may be furnished only in the United States, and that U.S. Government personnel may be assigned overseas for other purposes under this chapter for not more than 60 days. Subsection (c) also prohibits the provision of defense articles and defense services as defined under the Foreign Assistance Act of 1961 and the Arms Export Control Act (not including training) for purposes of new chapter 8.

Subsection (d) prohibits the provision of antiterrorism assistance to any country for which one or more kinds of security assistance is prohibited under another provision of law. For purposes of this subsection, security assistance means grant military assistance, Economic Support Fund assistance, grant military education and training, peacekeeping operations assistance, foreign military sales, credits, and guaranties, and commercial arms sales. The President may waive the prohibition in this subsection if he certifies to Congress that antiterrorism assistance should be provided to the affected countries because that country is threatened by international terrorism and it is in the national interests of the United States to assist that country in responding to those terrorist threats.

Subsection (e) states that the Assistant Secretary of State for Human Rights and Humanitarian Affairs shall be consulted in program development and implementation, including the countries selected and the types of assistance provided.

Subsection (f) provides 30-day prior notification to Congress on the countries being considered for antiterrorism assistance in fiscal year 1983.

Subsection (g) provides that services and commodities may be granted to eligible countries for purposes of new chapter 8. U.S. Government agencies providing services and commodities under this subsection are to be reimbursed from the authorization for appropriations in new section 572.

Subsection (h) authorizes the President to furnish services and commodities on a sales basis subject to payment in advance of the value of such services and commodities. Collections are to be credited to the currently applicable appropriation, account, or fund of the agency providing such services and commodities.

Subsection (i) exempts information exchange activities conducted by U.S. Government agencies under other authorities in another

provision of law from the requirements and authorities of new chapter 8.

New section 572 authorizes \$5 million to carry out new chapter 8 in fiscal year 1983 and provides that amounts appropriated under this new section are authorized to remain available until expended.

New section 573 requires an annual report to the Congress on the antiterrorism program. The report shall include a list of countries receiving antiterrorism assistance in the preceding and upcoming fiscal years, and the place, duration, number, types, and terms of assistance that has been or will be provided.

New section 574 provides that the administrative authorities of part I of the Foreign Assistance Act of 1961 shall apply to new chapter 8.

New section 575 provides for expiration of the authorities of new chapter 8 on September 30, 1984. Funds obligated prior to that date may be expended after that date.

Section 201(b) amends section 502B(d)(2)(A) of the Foreign Assistance Act of 1961 to include new chapter 8 in the human rights requirements of that section.

Section 201(c) amends section 644(m)(5) of the Foreign Assistance Act of 1961 in order to establish the costing formula for sales of commodities and services provided to friendly foreign countries under new chapter 8. The value of such commodities and services is the additional costs that are incurred by the U.S. Government in furnishing antiterrorism assistance.

TITLE III—ECONOMIC SUPPORT FUND

The Economic Support Fund (ESF) is economic assistance provided because of special economic, Political, or security interests of the United States. The largest portion is allocated to the Middle East, principally to Israel, Egypt, and Turkey. Economic Support Fund assistance also is provided to meet important U.S. interests in Africa, Asia, Latin America, and Europe.

While the use of ESF is, in the first instance, determined by special situations involving a country or region, the committee reaffirms its intent that, as far as practicable, such assistance which is intended for economic development shall be administered in accord with the "New Directions" principles set forth in the Foreign Assistance Act so as to achieve as much developmental benefit as possible.

Caribbean and Latin American programs

The committee strongly endorses the executive branch ESF request for Latin America and the Caribbean. These funds constitute the second installment on the Caribbean Basin initiative, which is a high priority of the President. However, noting its longstanding concern that U.S. bilateral assistance be used insofar as possible in ways which directly benefit the poor and provide for long-term development, the committee urges that \$20 million of the proposed Special Requirements Fund for Latin America and the Caribbean be used for development assistance projects and activities in accordance with the authorities of sections 103 through 106 of the

Foreign Assistance Act of 1961 and consistent with the policy directions of section 102 of that act.

The committee authorized an additional \$20 million in ESF funds with the intent that this amount be used to finance scholarships for educational programs in the United States, including programs for technical skills training, especially for individuals from the countries in the Caribbean Basin and Central America. This scholarship fund is intended to respond to the frequently stated concern of the leaders of the region that the Communist countries—particularly the Soviet Union—provide far more scholarship funds than does the United States.

ASF assistance to Egypt

Egypt under the leadership of President Mubarak has renewed its commitment to economic development and reform and has given top priority to improving the economy. The United States should redouble its efforts to insure the success of these Egyptian initiatives. The committee is concerned, however, about the uneven performance of the U.S. economic assistance effort in Egypt and the inability of the United States and Egypt to work out obstacles to the quicker implementation of projects being supported by U.S. funding, particularly with respect to the pipeline.

Despite assurances that U.S. outlays for aid projects will outpace the input of new funding, this has not occurred and after 8 years the aid pipeline has swollen to \$2.5 billion and is still growing. This reduces the effectiveness of U.S. assistance at a time when all resources must be used as efficiently as possible.

It is also essential for the Egyptian Government to press ahead with its stated intentions to develop new economic policies. Basic to improvement of Egypt's economy must be market freedom to respond to economic realities which does not now exist. Subsidies, controlled pricing and other artificial interventions so distort the economic process as to undermine prospects for lasting developmental improvements whether from U.S.-assisted programs or otherwise. For example, the high and growing portion of the Egyptian governmental budget committed to subsidies includes \$3 billion a year for energy products. This permits domestic sale of gasoline at roughly one-fifth of the international market price for energy. Similarly in the food and agriculture area, domestic price policies have disincentive effects for farmers, while massive U.S. Public Law 480 aid has helped the Government subsidize wheat at such a low price that it is used not only for human consumption but also is often used to feed livestock.

Such huge subsidies and the serious economic dislocations they cause do not give hope for future development and they impair the effectiveness of U.S. economic assistance to Egypt.

In this context, the committee notes with regret that the various initiatives to improve the U.S. economic aid effort which the United States and Egypt announced in February 1982, on the occasion of a visit of President Mubarak to the United States are being implemented slowly. These initiatives to develop a sectoral policy funding approach and use incremental budgeting which the United States agreed to support should be given high priority by both Governments.

The committee supports efforts to improve the performance of the U.S. economic aid programs and believes that these efforts are an essential complement to Egyptian policies to carry out economic reforms to insure the basis for further growth and development. Precisely because the United States has committed itself to undertake these initiatives, it is critical that the United States follows through on its promises.

The committee believes that the success of U.S. policies toward Egypt depend in large part on U.S. ability to work with the Egyptians for the economic betterment of all Egyptians. The peace dividend which all Egyptians want following the peace treaty with Israel is not yet a reality even though enormous improvements have occurred.

It is the challenge of the Egyptian and United States Governments for the 1980's to combine Egypt's own policy initiatives with U.S. support, flexibility, and creativity to insure growth and economic stability. It is in Egypt's self-interest to become economically viable as rapidly as possible and it is in the U.S. interest to have an economically self-sufficient, prospering Egypt as friend and partner in the Middle East.

Without strong efforts to this end, frustrations in the Congress over the inability of this program to achieve its stated objectives will multiply and the commitment to maintain high levels of assistance will wane.

Sudan commodity import program

The committee believes the commodity import program (CIP) for Sudan should be directed toward confronting problems in ways that promote medium- to long-term development in terms of expansion of Sudanese employment, real income, and output of needed goods. The program should exhibit a broad, general economic impact in Sudan in terms of economic sectors and geographic regions. It should be especially directed to supporting agricultural activities which either expand exports or substitute for food imports by producing items that add value and employ Sudanese workers.

Section 301—Authorization of Appropriations

Section 301 amends section 531(b)(1) of the Foreign Assistance Act to authorize a \$160,250,000 supplemental authorization of appropriations for the Economic Support Fund for fiscal year 1983, increasing the current \$2,723,500,000 authorization level in Public Law 97-113 to \$2,883,750,000. The supplemental authorization of \$160,250,000 for fiscal year 1983 is \$2.25 million below the executive branch's supplemental request of \$162.5 million.

The \$162.5 million supplemental request over the current authorization level for ESF for fiscal year 1983 is generally reflected in the following three accounts: (1) The American Republics program is increased by \$136 million; (2) the Turkey program is increased by \$50 million; and (3) the Pakistan program is decreased by \$25 million.

ECONOMIC SUPPORT FUND—FISCAL YEAR 1983

[In thousands of dollars]

Country/program	Current law (Public Law 97- 113)	Executive branch request ¹	Committee recommendation
Africa:			
Botswana.....		10,000	
Djibouti.....		2,000	
Kenya.....		30,000	
Liberia.....		32,000	
Mauritius.....		2,000	
Niger.....		5,000	
Senegal.....		10,000	
Seychelles.....		2,000	
Somalia.....		25,000	
Southern Africa regional.....		27,000	
Sudan.....		70,000	
Tunisia.....	≈ 5,000		36,000
Zaire.....		15,000	(^a)
Zambia.....		20,000	
Zimbabwe.....		75,000	
Subtotal.....		325,000	≈ 312,750
Asia:			
Pakistan.....	200,000	175,000	175,000
Philippines.....		50,000	50,000
Thailand.....		10,000	10,000
Subtotal.....		235,000	235,000
American Republics:			
Caribbean regional.....		31,000	31,000
Costa Rica.....	≈ 15,000	60,000	60,000
El Salvador.....		105,000	105,000
Honduras.....		25,000	25,000
Jamaica.....		55,000	55,000
Nicaragua.....	≈ 20,000		
Scholarship program.....			20,000
Subtotal.....		276,000	296,000
Near East:			
Cyprus.....	≈ 15,000		≈ 15,000
Egypt.....	≈ 750,000	750,000	≈ 750,000
Israel.....	≈ 785,000	785,000	≈ 785,000
Jordan.....		20,000	20,000
Lebanon.....	(7,000)	8,000	8,000
Middle East regional.....	(11,000)	15,000	15,000
Oman.....		15,000	15,000
Turkey.....	300,000	350,000	350,000
Subtotal.....		1,943,000	1,958,000
Other:			
Portugal.....		20,000	20,000
Spain.....		12,000	12,000
Special requirements fund.....	(75,000)	≈ 75,000	≈ 50,000
Subtotal.....		107,000	82,000
Total ESF.....	2,723,500	2,886,000	2,883,750

¹ The country levels and totals include the current authorization level and supplemental request.² Earmarks.³ Aid to Zaire is prohibited by sec. 103(b) of this bill.⁴ Africa subtotal, although below the executive branch aggregate request for the region, does not include specific country allocations except for Tunisia.⁵ Includes \$50 million for Latin America and the Caribbean.⁶ \$20 million is to be used for Latin America and the Caribbean in accordance with the authorities and policy directions of secs. 102 through 106 of the Foreign Assistance Act and the remaining \$30 million is to be made available for special requirements in Latin America and the Caribbean.

2. *Private Enterprise Initiative*

(a) *Basic Human Needs*

The congressional presentation for fiscal year 1983 describes a substantially increased allocation of funds for stimulating the involvement of U.S. and foreign private enterprise in the development process. Since AID funding levels this year and in recent years have remained fairly constant, the increase is to come from other current development activities. The executive branch is requesting \$10 million less in fiscal year 1983 appropriations for population, \$19 million less for health, and intends to use an unspecified amount for private sector activities from funds available for agriculture, rural development, and nutrition activities. Large amounts of ESF funds are also to be used for fiscal year 1983 private enterprise activities in developing countries.

While substantial information was obtained in committee oversight hearings this spring, AID's Private enterprise initiative remains somewhat lacking in descriptive detail and policy guidance and unclear in its total funding from various accounts. The committee expects the activities to be fully compatible with the New Directions as authorized in sections 102-106 of the Foreign Assistance Act.

The committee intends, in the course of its oversight activities this year, to review further the executive branch planning and implementation of private sector activities, including the scale of proposed funding for such activities and the compatibility of the private sector emphasis with New Directions legislation.

(b) *International Executive Service Corps*

In the committee's review of the executive branch policies to promote the role of the private sector in development, special attention was paid to the activities of the International Executive Service Corps (IESC), an organization composed mainly of retired business executives who volunteer their services for assistance to businesses in developing countries. The committee was particularly impressed by (1) the considerable success of and the broad respect for the activities of the IESC, and (2) the fact that AID's contribution to IESC's budget has increased only by small amounts, much less than would be necessary to keep pace with inflation, for the past decade. In fiscal year 1973 AID obligated \$3.150 million to the IESC, in fiscal year 1976 \$4.6 million, and in fiscal year 1981 \$5.3 million, \$4.5 million to support IESC's basic programs and an additional \$800,000 on a one-time basis for a special initiative in Latin America and the Caribbean.

Since the IESC has not received the funds necessary to maintain its program level and is a proven vehicle for the promotion of the private sector, it would seem most appropriate for AID to raise the funding level. Consideration was given to earmarking \$7.5 million in the bill for IESC, but such an amendment was not offered in order not to deprive the Agency of necessary and appropriate flexibility. However, the committee considers that program level appropriate for fiscal years 1983 and 1984 and, if that level is not reached, will expect a full explanation from the Agency.

3. Women in Development

The committee has followed closely AID's progress in implementing section 113 of the Foreign Assistance Act, directing that U.S. bilateral development assistance be administered so as to give particular attention to those programs, projects, and activities which tend to integrate women into the national economies of developing countries, thus improving their status and assisting the total development effort.

On several occasions in the past the committee has asked AID for reports on actions taken, progress made, and problems remaining in carrying out the women-in-development directives of section 113.

The 1980 report of the Office of Women in Development included much helpful information. The report indicated that some progress has been made. Missions have become more aware of women-in-development concerns. Data collection has improved. Essential statistics such as the number of female-headed households, levels of migration, and number of women active in agricultural production are being utilized in the project planning process. Increasingly, knowledge of women's roles and responsibilities is being demonstrated in project plans and descriptions.

Yet, the 1980 report also made clear that much remains to be done for effective implementation of section 113. To date no coordinated effort has been undertaken to develop overall staff expertise on women-in-development concerns. Women-in-development project activities are often given low priority when funding decisions are made, with the result that activities planned are not always carried out. Much still needs to be done to incorporate women's concerns into the larger development project.

In order to be kept informed on these and other aspects of implementing section 113, the committee requests updated reports from AID's Office of Women in Development, the first to be submitted at the end of calendar year 1982 and a second at the end of calendar year 1984. The 1982 report should update the 1978 and 1980 reports on projects and activities of AID relating to women in development. The following questions in particular should be addressed:

- To what extent are planned women-in-development activities actually being implemented? Is there a gap between planned and actual expenditures for women-in-development activities?
- What percentage of Agency resources is devoted to women-specific projects? What progress is being made in integrating women-in-development components into regular projects?
- What efforts are being made by the Agency, both in Washington and at the mission level, to sensitize staff to, and develop staff expertise in, women-in-development concerns?
- What has been learned from the first generation of women-in-development projects and how is the experience being integrated into standard Agency procedures, such as project development and review and country strategy review?

The committee commends the Office of Women in Development for its earlier informative reports and looks forward to receiving additional information on these and other issues relating to Agency

progress in recognizing and promoting women's roles as contributors to the development process.

4. Population programs in Africa

The 3.0 percent annual population growth rate in Africa ranks among the world's highest. The committee is concerned that this trend threatens the achievement of development objectives on that continent. In 1982, Congress provided \$10 million under population planning for bilateral programs in Africa. According to testimony by AID, only \$7.35 million will actually be spent, and just \$5.11 million was requested for 1983.

The committee urges the executive branch to give serious consideration to increasing the level of U.S. assistance toward addressing this serious problem, particularly in those countries which have indicated strong interest in U.S. assistance in this area. In this regard, the committee applauds the executive branch proposal to increase the number of population officers to be assigned to missions in Africa during fiscal year 1983 and hopes this indicates greater attention to the serious population pressures there.

In order that the committee may be more fully informed on this matter, the committee requests that the Agency for International Development provide Congress with a comprehensive report explaining its population planning effort and strategy for Africa during the period 1983-86. This report should be transmitted by December 1, 1982.

5. Special human rights concerns in Africa

Uganda

While progress toward stability appears to have been made on the economic front, the security situation in Uganda is cause for concern. The committee is deeply concerned by reports of violations of human rights committed by the military. The committee intends to monitor the human rights situation in Uganda very closely and urges the Ugandan Government to take immediate action to curb and prevent any abuses of human rights.

Liberia

The committee is concerned about reports of human rights violations in Liberia and urges that future requests for assistance be considered in the context of an improved human rights situation, and progress toward a restoration of civilian rule.

Section 401—Education and Human Resources Development

Section 401 amends section 105(a) of the Foreign Assistance Act to authorize the appropriation of \$116,383,000 in fiscal year 1983 for education and human resources development, an increase of \$12,783,000 above the authorization in present law. The executive branch requested the increase mainly for new training programs in Latin America and Africa.

Section 402—Energy, Private Voluntary Organizations, and Selected Development Activities

Section 402 amends section 106(e)(1) of the Foreign Assistance Act to authorize the appropriation of \$167,757,000 in fiscal year 1983 for energy, private voluntary organizations, and selected development activities, an increase of \$19,557,000 above the authorization in present law. The executive branch requested the increase mainly for its new program of promoting the role of the private sector in development activities overseas.

Section 403—Agricultural and Productive Credit and Self-Help Community Development Programs

Section 403 amends the Foreign Assistance Act to extend by 1 year, to September 30, 1983, the authority under section 222A of the act to carry out agricultural and productive credit and self-help community development programs.

Section 404—International Organizations and Programs

Section 404 amends section 302(a)(1) of the Foreign Assistance Act to authorize \$240 million in fiscal year 1983 for U.S. voluntary contributions to international organizations and programs and to maintain the percentage earmarks currently in law for five programs: The U.N. Development Program, the U.N. Children's Fund, the U.N. Environment Program, the U.N. Trust Fund for South Africa, and the U.N. Institute for Training and Research. The earmarks are as follows:

Program	Percentage earmark (whichever is less)	Earmark
U.N. Children's Fund.....	19.6	\$47,040,000
U.N. Development Program.....	59.5	142,800,000
U.N. Environment Program.....	4.4	10,560,000
U.N. Trust Fund for South Africa.....	.159	450,000
U.N. Institute for Training and Research.....	.196	500,000
Percent.....	83.855	201,350,000

The committee intends that each of the currently funded programs in this account be funded in an amount no less than the fiscal year 1982 level and that a proportionate share of the funds remaining after allocation of the U.S. contribution to the above five programs (16.145 percent of the funds) be distributed to the other programs and to the U.N. Voluntary Fund for the U.N. Decade for Women.

The \$240 million is an increase of \$21,400,000 above the authorization in present law.

Section 405—Palestine Liberation Organization and South-West Africa People's Organization

Section 405 amends section 302(a) of the Foreign Assistance act to provide that none of the funds authorized to be appropriated under the act may be made available for programs for the Pales-

Public Law 480 eligibility

During consideration of this bill the question arose as to whether the People's Republic of China is eligible to receive U.S. farm commodities under the Agricultural Trade and Development Assistance Act of 1954 (Public Law 480). The committee notes that there is no specific prohibition against such assistance to the PRC under existing law, but that it would be up to the President to determine whether China were eligible within the criteria set forth in the statute. The executive branch has stated that it has no present intention of proposing Public Law 480 program for China. It may be in the interest of the United States at some future time to extend Public Law 480 sales to China. If such a situation should develop, the committee intends that any change of policy on Public Law 480 for China shall be subject to prior consultation with the Congress.

TITLE V—OTHER AUTHORIZATIONS

Section 501—International Narcotics Control

Section 501(a) amends section 482(a)(1) of the Foreign Assistance Act to authorize the appropriation of \$42,500,000 for international narcotics control activities in fiscal year 1983, \$2,500,000 above the amount requested by the President. Present law authorizes \$37,700,000. The additional funding reflects the committee's desire for a more aggressive international narcotics control strategy which aims at the eradication of the illicit drugs at their source. In recommending this additional authorization the committee noted that the amounts requested by the executive branch in recent years have generally been decreasing in real terms, despite the growing severity of the drug problems.

Section 501(b) adds a new section 481(f) to the Foreign Assistance Act stating the sense of Congress that the President should give greater priority to international narcotics control as a component of overall U.S. foreign policy. The committee is concerned that in recent years the United States appears to be drifting along with a low-level, unfocused, low-priority international narcotics control policy which leads other nations to question the seriousness of the United States about the drug problem.

The committee is also concerned about the low proportion of international narcotics control assistance allocated to marihuana control programs. This low level of funding appears out of proportion to the high level of damage being inflicted on our society by marihuana.

Additionally, more precise and verifiable narcotics intelligence, especially concerning production and eradication, is needed to plan and evaluate eradication programs effectively. Specifically, the Bureau of International Narcotics Matters (INM) of the State Department should examine the feasibility of extending aerial survey techniques.

Furthermore, the resources of the Central Intelligence Agency should be more effectively used to collect and coordinate narcotics control intelligence collection efforts. Drug abuse is as much a national problem as is the need to provide economic and security as-

sistance and the same, or more, emphasis should be placed on the effort to reduce the scope of the problem.

The International Communication Agency (ICA), in cooperation with INM, DEA, and the National Institute of Drug Abuse (NIDA), should examine methods and materials to increase the flow of antinarcotics research and information to foreign countries, with attention to educators, opinionmakers, and government officials as well as the general public.

Section 502—Operating Expenses

Section 502(a) amends section 667 of the Foreign Assistance Act to provide that the costs for administering Economic Support Fund programs shall be paid from the funds provided for such programs. It is the committee's intent that such costs shall include those directly attributable to the design, implementation, monitoring, and evaluation of ESF programs. These costs are to be directly attributed to specific ESF country programs according to the administrative costs of each program.

Section 502(b) provides that ESF operating expenses in excess of \$40.4 million may be obtained from AID's "operating expenses" account for fiscal year 1983 since the authorization enacted last year for fiscal year 1983 operating expenses subsumed ESF operating expenses.

Section 503—Peace Corps

Section 503(a) amends section 3(b) of the Peace Corps Act to authorize the appropriation of \$112 million to carry out the functions of the Peace Corps in fiscal year 1983, an increase of \$7 million above the authorization in current law but \$2,345,000 below the amount approved by the House last year. The committee believed some increase above the existing authorization was needed for the Peace Corps in view of its valuable contributions abroad.

Section 503(b) amends section 6(a)(1) of the Peace Corps Act to eliminate the \$125 ceiling on readjustment allowances for volunteer leaders. The Congress acted in Public Law 97-113 to permit the Peace Corps to increase volunteer readjustment allowances. Subsequently on February 1, 1982, the Peace Corps increased these allowances to \$175 per month. The action taken in this legislation makes possible a comparable increase in the allowance for volunteer leaders, retroactive to February 1, 1982. The committee notes that the Peace Corps has indicated that this increase can be accommodated within its fiscal year 1982 budget.

Section 504—Piracy in the Gulf of Thailand

Section 504 increases the amounts otherwise authorized to the migration and refugee assistance account by \$5 million and earmarks that amount to combat piracy in Gulf of Thailand. These funds are intended to supplement the measures which have been planned by the UNHCR, in cooperation with the Thai Government, to prevent the brutal and often deadly pirate attacks against Vietnamese refugees in the Gulf of Thailand. The committee hopes that this \$5 million authorization will spur increased contributions from other countries to combat this problem. The amendment is designed to grant flexibility to the executive branch so that it may

channel these funds through a bilateral program, through a multilateral program, through private voluntary organizations, or through any combination of the above.

TITLE VI—MISCELLANEOUS PROVISIONS

Section 601—Effective Date

Section 601 states that except as otherwise provided, the amendments made in this legislation shall take effect on October 1, 1982.

Section 602—Prohibitions on Assistance

Section 602 adds a new section 620(y) to the Foreign Assistance Act which provides that notwithstanding section 620(f) of the act, the President may authorize assistance prohibited under section 620(f) provided he determines and reports to Congress that such assistance is important to the security of the United States.

Section 620(f) of the act provides that no assistance under the act shall be provided to any Communist country including those countries listed in section 620(f), unless the President makes certain findings and reports to the Congress. The committee provision recognizes the need to help provide flexibility for implementation of foreign policy in situations where the assistance would be important to the security of the United States.

Section 603—Promoting the Development of the Haitian People and Providing for Orderly Emigration From Haiti

Section 603 of the bill essentially restates and updates the provisions of section 721 of the International Security and Development Cooperation Act of 1981 (Public Law 97-113) regarding conditions on the expenditure of U.S. economic and military assistance funds for Haiti in fiscal year 1983 with the following adjustments and additions:

(1) Subsection (a)(1) of section 603 states the sense of the congress that up to \$20 million in development assistance funds available for fiscal year 1983 should be made available for Haiti subject to the limitation in subsection (b). The executive branch fiscal year 1983 request for development assistance includes a \$15 million program for Haiti. In view of Haiti's overall needs in the development area and in view of the AID mission's reemphasis on development programs for the rural northwest region where emigration has been particularly high, the committee believes that an additional \$5 million in development assistance funds would be appropriate. In particular, the committee encourages AID to explore the feasibility of using such funds to organize a Haitian civilian conservation corps to promote soil conservation and reforestation which are crucial to economic development in Haiti.

(2) Subsection (b) stipulates that, in order to expend fiscal year 1983 development and military assistance funds in Haiti or to extend military sales credits or guarantees to Haiti in fiscal year 1983, the President must certify to the Congress that Haiti is complying with the conditions set forth in subsection (b) and provide the Congress with a detailed justification of each of the required determinations. The committee notes

that the executive branch report to Congress on the determination to provide assistance to the Haitian Government in fiscal year 1982 was, in many respects, vague and lacking in adequate detail. The committee expects that the report on fiscal year 1983 determinations will be more specific regarding the Haitian Government's compliance with all of the conditions, particularly the condition relating to Haitian cooperation in implementing U.S. development assistance programs. With respect to the conditions relating to stopping Haitian illegal emigration, the committee believes that resumption of the Bahamian-Haitian voluntary repatriation agreement would be a significant step in this direction. Therefore the committee urges the State Department to encourage both Governments to restore the agreement.

(3) Subsection (c) requires the President to report to the Congress, 6 months after making the certification required under subsection (b), on the extent to which the actions of the Government of Haiti during that 6-month period were consistent with the conditions set forth in subsection (b). In the event that the Haitian Government fails to comply with any of these conditions during the 6-month period, the President's report should indicate whether the expenditure of fiscal year 1983 U.S. development and military assistance funds for Haiti has been suspended and, if not, the reasons for continuing such expenditures.

(4) Subsection (e) states that no funds may be made available for Haiti in any fiscal year from the Economic Support Fund until the President certifies to the Congress that the Haitian Government has met the fiscal performance targets set by the International Monetary Fund (IMF) for determining whether Haiti can participate in the IMF's Compensatory Financing Facility. The committee notes that, as of the date of this report, the Government of Haiti has made considerable progress in its efforts to comply with the IMF's "shadow program" for fiscal reform in contrast to the Government's past performance which drained much needed revenues into such unaccountable funds as the "Régie du Tabac." The committee hopes this provision will encourage the Haitian Government to redouble its efforts to meet the IMF's fiscal performance targets which are crucial to economic development in that country.

The committee is pleased to note that the direct boat flow of illegal migrants from Haiti to the United States has been reduced to a trickle as a result of the United States-Haitian interdiction agreement, the legislation linking Haitian cooperation in stopping illegal migration to the release of U.S. foreign assistance funds to Haiti, and as a result of more stringent enforcement of U.S. immigration laws. With respect to the interdiction agreement, the committee urges that the participation of the U.S. Coast Guard be continued. However, the committee notes that the assistance provided by the U.S. Coast Guard Cutter to Haitian Government forces during the abortive invasion attempt of January 1982 was clearly beyond the scope of the stated mission of the vessel whose assignment is limited to the interdiction of illegal migrant and drug traffic in the Windward Passage. Any future involvement of the U.S. Coast

Guard in defense of the Government of Haiti could undermine the integrity of the Coast Guard's operation in the area. Therefore, the Department of State should make it clear to the Haitian Government that the role of the Coast Guard in that country is limited strictly to cooperating in combating illegal migration and drug-smuggling activities.

As the committee emphasized in its report to the House last year on the legislation setting conditions on aid to Haiti, it is important to make clear to the Haitian Government that U.S. insistence on orderly emigration procedures does not mean that U.S. interest in the observance of basic human rights has in any way diminished. In its most recent annual human rights report to the Congress, the Department of State declared, "Haiti has had a long and troubled history of autocratic rule characterized by many periods of political instability and human rights abuses." While the Department of State report notes that considerable open political opposition to the Government was permitted during 1976-80, in November 1980, dozens of persons were arrested on various charges of conspiracy and subversion. The Government subsequently exiled 17 of those arrested, including journalists and opposition political party leaders and sentenced 24 to 15 years of hard labor. Further, a House Foreign Affairs Committee staff report stated that the January 1982 invasion attempt generated an overreaction on the part of the Haitian Government such as arbitrary arrests. If the Haitian Government continues to stifle legitimate dissent by such means, the result will likely mean increased instability and more political repression. Therefore, the U.S. Government should make it clear to the Haitian Government that, while legitimate self-defense efforts can be supported, overreaction to external or internal dissent will be counterproductive particularly if basic human rights are violated.

On the positive side, the pronouncement made on April 22, 1982, by President Jean-Claude Duvalier promising "free and honest municipal elections" is a welcome development. The committee urges the State Department both to encourage actively such elections and to assist the Haitian Government in all appropriate ways in the development of democratic processes.

Section 604—Extension of Export Controls

Section 604 adds to section 6 of the Export Administration Act of 1979 a requirement that the Secretary of Commerce reimpose those foreign policy export controls which were allowed to expire, under the provisions of subsection 6(a)(2) of the act, on February 26, 1982.

The controls which were allowed to expire include certain of the controls designed to further U.S. foreign policy on antiterrorism, South Africa, and Namibia, and human rights. The amendment also has the effect of reinstating the requirement in subsection 6(i) of the Export Administration Act that the executive branch notify Congress before approving the export of civil aircraft to countries which have repeatedly provided support for acts of international terrorism. Foreign policy controls which have been imposed since December 31, 1981, remain in effect.

The provision includes authority for the President to waive the requirement of this section to reimpose the foreign policy export

controls which were allowed to expire on February 26, 1982, if the President determines that such a waiver is necessary to the security interests of the United States and if the President notifies the Congress of that determination at least 30 days before the waiver takes effect.

REQUIRED REPORTS SECTION

COST ESTIMATE

The committee estimates that, assuming the full appropriation of the additional amounts authorized in this bill for fiscal year 1983, the total budget authority required to carry out the provisions of H.R. 6370 will be \$777,934,000. The fiscal year allocation of the total cost is set forth in the Congressional Budget Office estimate below. The committee agrees with the projected cost estimate of the Congressional Budget Office.

INFLATIONARY IMPACT STATEMENT

The additional fiscal year 1983 authorization contained in H.R. 6370, if fully appropriated, would be less than 0.1 percent of the President's fiscal year 1983 budget authority request. Further, the committee recommendation is \$443,373,000 below the President's supplemental authorization request. Therefore, the enactment of this legislation would have no identifiable impact on inflationary forces.

STATEMENTS REQUIRED BY CLAUSE 2 (1) (3) OF HOUSE RULE XI

(a) Oversight findings and recommendations

Among the principal oversight activities which contributed to the formulation of H.R. 6370 have been:

(1) Extensive hearings and review of the executive branch request by the full committee as well as the Subcommittees on International Security and Scientific Affairs and on Human Rights and International Organizations, and the committee's four regional subcommittees (see section on "Committee action," above).

(2) Numerous Washington-based and field studies and review of U.S. security development and food assistance policies and programs by the committee members and staff.

(3) Ongoing consultation between the committee members and staff and the executive branch officials concerning the administration of U.S. international security assistance programs and activities; the implementation of functional development assistance and Public Law 480 programs; and the administration of Peace Corps activities.

As a result of these oversight activities the committee recommends that the additional fiscal year 1983 authorizations contained in H.R. 6370 be approved.

(b) Budget authority

The enactment of H.R. 6370 will create no new budget authority.

(c) Committee on Government Operations summary

No oversight findings and recommendations which relate to this measure have been received by the Committee on Government Operations under clause 4(c)(2) of rule X of the rules of the House.

(d) Congressional Budget Office cost estimate

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

May 17, 1982.

1. Bill number; H.R. 6370.

2. Bill title: A bill to amend the Foreign Assistance Act of 1961 and the Arms Export Control Act to authorize additional international security and development assistance programs for fiscal year 1983, and for other purposes.

3. Bill status: As ordered reported by the House Committee on Foreign Affairs on May 13, 1982.

4. Bill purpose:

This legislation authorizes the appropriation in fiscal year 1983 of an additional:

\$400 million in foreign military sales credits;
 \$110.8 million in grant military assistance;
 \$3.2 million for international military education and training;
 \$24.5 million for peacekeeping operations;
 \$5.0 million for a new anti-terrorism assistance program;
 \$160.3 million for the economic support fund;
 \$32.3 million for functional development assistance;
 \$21.4 million for international organizations;
 \$3.6 million for trade and development programs;
 \$4.8 million for international narcotics control programs;
 \$7.0 million for the Peace Corps; and
 \$5.0 million to combat piracy in the Gulf of Thailand.

The legislation raises the ceiling on guaranteed foreign military sales credits extended by Federal Financing Bank by \$778.0 million; authorizes the drawdown of up to \$10 million of commodities and services from any U.S. government agencies for peacekeeping operations and authorizes the appropriation of such funds as may be necessary to reimburse the agencies; and otherwise amends the Foreign Assistance Act of 1961 and the Arms Export Control Act.

5. Cost estimate: The bill authorizes the appropriation of an additional \$778 million in fiscal year 1983, and up to \$10 million per year for peacekeeping operations.

[By fiscal year, in million of dollars]

Budget function 150	1983	1984	1985	1986	1987
Authorization amount.....	778	10	10	10	10
Estimated outlays.....	626	80	56	35	18

The ceiling on foreign military sales guaranteed credits for fiscal year 1983 was raised by \$778 million. These guarantees will be purchased by the Federal Financing Bank resulting in off-budget direct loans.

(By fiscal year, in millions of dollars)

Off-budget impact	1983	1984	1985	1986	1987
Estimated budget authority.....	237	258	184	76	23
Estimated outlays.....	237	258	136	28	-25
Loan placement fees.....	-4	0	0	0	0

The bill authorizes the following additional new direct loans and loan guarantees:

(By fiscal year, in millions of dollars)

Credit budget impact	1983	1984	1985	1986	1987
New direct loan obligations.....	400	0	0	0	0
New loan guarantee commitment.....	778	0	0	0	0

6. Basis of estimate:

The estimate assumes enactment of this legislation and subsequent appropriation of the authorization amount and enactment of credit limits in an appropriation act by September 30, 1982.

The cost estimate shows the authorization amounts and credit limits as marginal increases over the amounts contained for these programs in the International Security and Development Assistance Act of 1981, P.L. 97-113. Where outlays or credit disbursements were sensitive to country program assumptions, the staff of the Foreign Affairs Committee was consulted on which programs were to be considered increased by this legislation. Outlays were estimated using historical rates, except for the new Anti-Terrorism Program where the Administration estimate was used.

Budget Authority of the off-budget Federal Financing Bank (FFB) is the estimate of the increase in Foreign military sales guarantees originated and disbursed by the FFB. The estimate uses the Administration's rates for loan disbursements for the Egyptian and Israeli programs and average defense procurement spend-out rates for loan disbursement rates for all other loans.

Off-budget outlays are equal to estimated disbursements less repayments. The guaranteed loans are assumed to be repaid in eight years with two years grace on principal repayment for those countries not receiving extended repayment terms under Sec. 31(b)(5) or (c) of the Arms Export Control Act. Countries authorized extended repayment terms are assumed to repay the loans in 20 years with 10 years grace on principal repayment.

Section 113 of this legislation authorizes the drawdown of up to \$10 million of commodities and services from the inventory and resources of any agency of the U.S. government and authorizes such funds as may be necessary to reimburse the applicable account for such drawdowns. The estimate assumes the authority will be used in unforeseen emergencies instead of reprogramming funds from budgeted programs.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimated prepared by: Joe Whitehill (226-2840).

10. Estimated approved by:

JAMES L. BLUM,
Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

ARMS EXPORT CONTROL ACT

CHAPTER 2—FOREIGN MILITARY SALES AUTHORIZATIONS

SEC. 21. SALES FROM STOCKS.—(a) * * *

(e)(1) After September 30, 1976, letters of offer for the sale of defense articles or for the sale of defense services that are issued pursuant to this section or pursuant to section 22 of this Act shall include appropriate charges for—

(A) administrative services, calculated on an average percentage basis to recover the full estimated costs (*excluding a pro rata share of fixed base operation costs*) of administration of sales made under this Act to all purchasers of such articles and services;

SEC. 26. [DEFENSE REQUIREMENT] SECURITY ASSISTANCE SURVEYS.—(a) The Congress finds that [defense requirement] security assistance surveys prepared by the United States for foreign countries have had a significant impact on subsequent military procurement decisions of those countries. It is the policy of the United States that the results of [defense requirement] security assistance surveys conducted by the United States clearly do not represent a commitment by the United States to provide an military equipment to any foreign country. Further, recommendations in such surveys should be consistent with the arms export control policy provided for in this Act.

(b) As part of the quarterly report required by section 36(a) of this Act, the President shall include a list of all [defense requirement] security assistance surveys authorized during the preceding calendar quarter, specifying the country with respect to which the survey was or will be conducted, the purpose of the survey, and the number of United States Government personnel who participated or will participate in the survey.

(c) Upon a request of the chairman of the Committee on International Relations of the House of Representatives or the chairman of the Committee on Foreign Relations of the Senate, the President shall grant that committee access to [defense requirement] security assistance surveys conducted by United States Government personnel.

(d) As used in this section, the term "security assistance surveys" means any survey or study conducted in a foreign country by United States Government personnel for the purpose of assessing the needs of that country for security assistance, and includes defense requirement surveys, site surveys, general surveys or studies, and engineering assessment surveys.

* * * * *

CHAPTER 3—MILITARY EXPORT CONTROLS

SEC. 31. AUTHORIZATION AND AGGREGATE CEILING ON FOREIGN MILITARY SALES CREDITS.—(a) There is hereby authorized to be appropriated to the President to carry out this Act \$800,000,000 for the fiscal year 1982 and ~~[\$800,000,000]~~ \$1,200,000,000 for the fiscal year 1983. Credits may not be extended under section 23 of this Act in an amount, and loans may not be guaranteed under section 24(a) of this Act in a principal amount, which exceeds any maximum amount which may be established with respect to such credits or such loan guarantees in legislation appropriating funds to carry out this Act. Unobligated balances of funds made available pursuant to this section are hereby authorized to the continued available by appropriations legislation to carry out this Act.

(b) (1) The total amount of credits (or participations in credits) extended under section 23 of this Act shall not exceed \$800,000,000 for the fiscal year 1982 and ~~[\$800,000,000]~~ \$1,200,000,000 for the fiscal year 1983.

(2) The total principal amount of loans guaranteed under section 24(a) of this Act shall not exceed \$3,269,525,000 for the fiscal year 1982 and ~~[\$3,269,525,000]~~ \$4,047,560,000 for the fiscal year 1983.

(3) Of the aggregate total of credits (or participations in credits) under section 23 of this Act, and of the total principal amount of loans guaranteed under section 24(a) of this Act, not less than \$1,400,000,000 for the fiscal year 1982 and not less than ~~[\$1,400,000,000]~~ \$1,700,000,000 for the fiscal year 1983 shall be available only for Israel, of which ~~[not less than \$550,000,000 for each such year]~~ not less than \$550,000,000 for the fiscal year 1982 and not less than \$750,000,000 for the fiscal year 1983 shall be available as credits under section 23 of this Act.

(4) Of the amount available under paragraph (2) of this subsection for loan guaranties under section 24(a) of this Act, not less than \$280,000,000 for fiscal year 1982 and not less than ~~[\$280,000,000]~~ \$325,000,000 for the fiscal year 1983 shall be available only for Greece.

(5) The principal amount of loans guaranteed under section 24(a) of this Act for the fiscal year 1982 and for the fiscal year 1983 with respect to Egypt, Greece, Sudan, Somalia, and Turkey shall (if and to the extent each such country so desires) be repaid in not more than twenty years, following a grace period of ten years on repayment of principal.

(6) Of the total amount of credits (or participations in credits) extended under section 23 of this Act for the fiscal years 1982 and 1983, not less than \$200,000,000 for each such year shall be available only for Egypt, and Egypt shall be released from its contractual

liability to repay the United States Government with respect to such credits and participations in credits.]

(6) *Of the total amounts of credits (or participations in credits) extended under section 23 of this Act for the fiscal year 1983, Egypt shall be released from its contractual liability to repay the United States Government with respect to such credits and participations in credits in amounts up to \$400,000,000.*

(7) *Of the total amount of credits (or participations in credits) extended under section 23 of this Act for the fiscal years 1982 and 1983, not less than \$50,000,000 for each such year shall be available only for the Sudan, and the Sudan shall be released from its contractual liability to repay the United States Government with respect to such credits and participations in credits.*

(c) Funds made available for the fiscal year 1982 and for the fiscal year 1983 under subsection (a) of this section shall be obligated to finance the procurement of defense articles, defense services, and design and construction services by Israel on a long-term repayment basis either by the extension of credits, without regard to the limitation contained in section 23, or by the issuance of guaranties under section 24. Repayment shall be in not less than twenty years, following a grace period of ten years on repayment of principal. Israel shall be released from \$550,000,000 of its contractual liability to repay the United States Government with respect to defense articles, defense services, and design and construction services so financed for [each such year] *the fiscal year 1982, and from \$750,000,000 of such liability for the fiscal year 1983.*

* * * * *

SEC. 36. REPORTS ON COMMERCIAL AND GOVERNMENTAL MILITARY EXPORTS; CONGRESSIONAL ACTION.—(a) The President shall transmit to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate not more than sixty days after the end of each quarter an unclassified report (except that any material which was transmitted in classified form under subsection (b)(1) or (c)(1) of this section may be contained in a classified addendum to such report, and any letter of offer referred to in paragraph (1) of this subsection may be listed in such addendum unless such letter of offer has been the subject of an unclassified certification pursuant to subsection (b)(1) of this section) containing—

(1) a listing of all letters of offer to sell any major defense equipment for \$1,000,000 or more under this Act to each foreign country and international organization, by category, if such letters of offer have not been accepted or cancelled;

(2) a listing of all such letters of offer that have been accepted during the fiscal year in which such report is submitted, together with the total value of all defense articles and defense services sold to each foreign country and international organization during such fiscal year;

(3) the cumulative dollar amounts, by foreign country and international organization, of sales credit agreements under section 23 and guaranty agreements under section 24 made during the fiscal year in which such report is submitted;

(4) a numbered listing of all licenses and approvals for the export to each foreign country and international organization during such fiscal year of commercially sold major defense equipment, by category, sold for \$1,000,000 or more, together with the total value of all defense articles and defense services so licensed for each foreign country and international organization, setting forth, with respect to the listed major defense equipment—

(A) the items to exported under the license,

(B) the quantity and contract price of each such item to be furnished, and

(C) the name and address of the ultimate user of each such item;

(5) projections of the dollar amounts, by foreign country and international organization, of cash sales expected to be made under sections 21 and 22, credits to be extended under section 23, and guaranty agreements to be made under section 24 in the quarter of the fiscal year immediately following the quarter for which such report is submitted;

(6) a projection with respect to all cash sales expected to be made and credits expected to be extended to each country and organization for the remainder of the fiscal year in which such report is transmitted;

[(7) an estimate of the number of officers and employees of the United States Government and of United States civilian contract personnel present in each such country at the end of that quarter for assignments in implementation of sales and commercial exports under this Act;]

(7) an estimate of—

(A) the number of United States military personnel, of the number of United States Government civilian personnel, and of the number of United States civilian contract personnel, who were in each foreign country at the end of that quarter, and

(B) the number of members of each such category of personnel who were in each foreign country at any time during that quarter,

in implementation of sales and commercial exports under this Act or of assistance under chapter 2, 5, 6, or 8 of part II of the Foreign Assistance Act of 1961, including both personnel assigned to the country and personnel temporarily in the country by detail or otherwise;

(8) a description of each payment, contribution, gift, commission, or fee reported to the Secretary of State under section 39, including (A) the name of the person who made such payment, contribution, gift, commission, or fee; (B) the name of any sales agent or other person to whom such payment, contribution, gift, commission, or fee was paid; (C) the date and amount of such payment, contribution, gift, commission, or fee; (D) a description of the sale in connection with which such payment, contribution, gift, commission, or fee was paid; and (E) the identification of any business information considered confidential by the person submitting it which is included in the report; and

(9) a listing of each sale under section 29 during the quarter for which such report is made, specifying (A) the purchaser, (B) the United States Government department or agency responsible for implementing the sale, (C) an estimate of the dollar amount of the sale, and (D) a general description of the real property facilities to be constructed pursuant to such sale.

For each letter of offer to sell under paragraphs (1) and (2), the report shall specify (i) the foreign country or international organization to which the defense article or service is offered or was sold, as the case may be; (ii) the dollar amount of the offer to sell or the sale and the number of defense articles offered or sold, as the case may be; (iii) a description of the defense article or service offered or sold, as the case may be; and (iv) the United States Armed Forces or other agency of the United States which is making the offer to sell or the sale, as the case may be.

* * * * *

CHAPTER 4—GENERAL, ADMINISTRATIVE, AND MISCELLANEOUS PROVISIONS

* * * * *

SEC. 43. ADMINISTRATIVE EXPENSES.—(a) Funds made available under other law for the operations of United States Government agencies carrying out functions under this Act shall be available for the administrative expenses incurred by such agencies under this Act.

(b) Charges for administrative services calculated under section 21(e)(1)(A) of this Act shall include recovery of administrative and extraordinary expenses incurred by any department or agency of the United States Government, including any mission or group thereof, in carrying out functions under this Act when—

(1) such functions are primarily for the benefit of any foreign country; and

(2) such expenses are not directly and fully charged to, and reimbursed from amounts received for, sale of defense services under section 21(a) of this Act.

* * * * *

CHAPTER 5—SPECIAL DEFENSE ACQUISITION FUND

SEC. 51. SPECIAL DEFENSE ACQUISITION FUND.—(a)(1) Under the direction of the President and in consultation with the Secretary of State, the Secretary of Defense shall establish a Special Defense Acquisition Fund (hereafter in this chapter referred to as the "Fund"), to be used as a revolving fund separate from other accounts, under the control of the Department of Defense, to finance the acquisition of defense articles and defense service in anticipation of their transfer pursuant to this Act, the Foreign Assistance Act of 1961, or as otherwise authorized by law, to eligible foreign countries and international organizations, and may acquire such articles and services with the funds in the Fund as he may determine. Acquisition under this chapter of items for which the initial issue quantity requirements for United States Armed Forces have not been fulfilled and are not under current procurement contract

shall be emphasized when compatible with security assistance requirements for the transfer of such items.

(d) The authority of this chapter may not be used to acquire any aircraft which was designed specifically for export sales and which is not in the inventory of the Department of Defense or is in the inventory of the Department of Defense solely for training purposes.

FOREIGN ASSISTANCE ACT OF 1961

PART I

SEC. 105. "EDUCATION AND HUMAN RESOURCES DEVELOPMENT.—(a) In order to reduce illiteracy, to extend basic education, and to increase manpower training in skills related to development, the President is authorized to furnish assistance on such terms and conditions as he may determine, for education, public administration, and human resource development. There are authorized to be appropriated to the President for the purposes of this section, in addition to funds otherwise available for such purposes \$103,600,000 for the fiscal year 1982 and ~~[\$103,600,000]~~ \$116,383,000 for the fiscal year 1983, which are authorized to remain available until expended. For each of the fiscal years 1982 and 1983, the President shall use not less than \$4,000,000 of the funds made available for the purposes of this section to finance scholarships for undergraduate or professional education in the United States for South African students who are disadvantaged by virtue of legal restrictions on their ability to get an adequate undergraduate or professional education, except that up to \$1,000,000 of the funds made available for each such fiscal year under chapter 4 of part II of this Act for southern African regional programs may be used to finance such scholarships in lieu of an equal amount under this section.

SEC. 106. ENERGY, PRIVATE VOLUNTARY ORGANIZATIONS, AND SELECTED DEVELOPMENT ACTIVITIES.—(a) * * *

(e)(1) There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, \$147,200,000 for the fiscal year 1982 and ~~[\$147,200,000]~~ \$166,757,000 for the fiscal year 1983.

(2) Amounts appropriated under this section are authorized to remain available until expended.

CHAPTER 2—OTHER PROGRAMS

TITLE III—HOUSING AND OTHER CREDIT GUARANTY PROGRAMS

SEC. 222A. AGRICULTURAL AND PRODUCTIVE CREDIT AND SELF-HELP COMMUNITY DEVELOPMENT PROGRAMS.—(a) * * *

(h) The authority of this section shall continue through September 30, ~~1982~~ 1983.

CHAPTER 3—INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 302. AUTHORIZATION.—(a)(1) There are authorized to be appropriated to the President for grants to carry out the purposes of this chapter, in addition to funds available under any other Acts for such purposes, \$218,600,000 for the fiscal year 1982 and ~~[\$218,600,000]~~ \$240,000,000 for the fiscal of 1983. Of the funds appropriated under this paragraph for ~~[each of the fiscal years 1982 and 1983]~~ *the fiscal year 1982*, (A) not less than 19.6 percent or \$45,000,000, whichever amount is less, shall be available only for the United States Children's Fund, (B) not less than 59.5 percent or \$134,500,000, whichever amount is less, shall be available only for the United Nations Development Fund, (C) not less than 4.4 percent or \$10,000,000, whichever amount is less, shall be available only for the United Nations Environment Fund, (D) not less than 0.159 percent or \$400,000, whichever amount is less, shall be available only for the United Nations Trust Fund for Southern Africa, and (E) not less than 0.196 percent or \$500,000 whichever amount is less, shall be available only for the United Nations Institute for Training and Research. *Of the funds appropriated under this paragraph for the fiscal year 1983, (A) not less than 19.6 percent or \$47,040,000, whichever amount is less, shall be available only for the United Nations Children's Fund, (B) not less than 59.5 percent or \$142,800,000, whichever amount is less, shall be available only for the United Nations Development Program, (C) not less than 4.4 percent or \$10,560,000, whichever amount is less, shall be available only for the United Nations Environment Fund, (D) not less than 0.159 percent or \$450,000, whichever amount is less, shall be available only for the United Nations Trust Fund for Southern Africa, and (E) not less than 0.196 percent or \$500,000, whichever amount is less, shall be available only for the United Nations Institute for Training and Research.*

(2) The Congress reaffirms its support for the work of the Inter-American Commission on Human Rights. To permit such Commission to better fulfill its function of insuring observance and respect for human rights within this hemisphere, not less than \$357,000 of the amount appropriated for fiscal year 1976 and \$358,000 of the amount appropriated for fiscal year 1977, for contributions to the Organization of American States, shall be used only for budgetary support for the Inter-American Commission on Human Rights.

(3) *None of the funds authorized to be appropriated under this Act may be made available for the United States proportionate share for programs for the Palestine Liberation Organization, or for projects whose primary purpose is to provide benefits to the Palestine Liberation Organization or entities associated with it, or for the South West Africa People's Organization. The Secretary of State shall review, at least annually, the budgets and accounts of all international organizations receiving payments of funds authorized to be appropriated under this Act and shall report to the appropriate committees of the Congress the amounts of funds expended by each such organization for the purposes described in the preceding sentence and the amount contributed by the United States to each such organization.*

* * * * *

CHAPTER 8—INTERNATIONAL NARCOTICS CONTROL

SEC. 481. INTERNATIONAL NARCOTICS CONTROL.—(a) It is the sense of the Congress that effective international cooperation is necessary to put an end to the illicit production, smuggling, trafficking in, and abuse of dangerous drugs. In order to promote such cooperation, the President is authorized to conclude agreements with other countries to facilitate control of the production, processing, transportation, and distribution of narcotic analgesics, including opium and its derivatives, other narcotic drugs and psychotropics, and other controlled substances as defined in the Comprehensive Drug Abuse Prevention and Control Act of 1970. Notwithstanding any other provision of law, the President is authorized to furnish assistance to any country or international organization, on such terms and conditions as he may determine, for the control of, the production of, processing of, smuggling of, and traffic in, narcotic and psychotropic drugs. The President shall suspend economic and military assistance furnished under this or any other Act, and shall suspend sales under the Foreign Military Sales Act and under title I of the Agricultural Trade Development and Assistance Act of 1954, with respect to any country when the President determines that the government of such country has failed to take adequate steps to prevent narcotic drugs and other controlled substances (as defined by the Comprehensive Drug Abuse Prevention and Control Act of 1970) produced or processed, in whole or in part, in such country, or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents, or from entering the United States unlawfully. Such suspension shall continue until the President determines that the government of such country has taken adequate steps to carry out the purposes of this chapter.

* * * * *

(f) *In view of the increased damage inflicted on our society by the flow of illicit drugs from abroad, it is the sense of the Congress that the President should give greater priority to international narcotics control as a component of our overall foreign policy toward the major illicit drug producing nations. Eradication of illicit drug crops in the field should be the cornerstone of our strategy. The*

President should communicate this priority concern about illicit drugs from abroad by word and deed.

SEC. 482. AUTHORIZATION.—(a)(1) To carry out the purposes of section 481, there are authorized to be appropriated to the President \$37,700,000 for the fiscal year 1982 and ~~[\$37,700,000]~~ \$42,500,000 for the fiscal year 1983.

CHAPTER 1—POLICY

SEC. 502B. HUMAN RIGHTS.—(a) * * *

(d) For the purposes of this section—

(1) the term “gross violations of internationally recognized human rights” includes torture or cruel, inhuman, or degrading treatment or punishment, prolonged detention without charges and trial, causing the disappearance of persons by abduction and clandestine detention of those persons, and other flagrant denial of the right to life, liberty, or the security of person; and

(2) the term “security assistance” means—

(A) assistance under chapter 2 (military assistance) or chapter 4 (economic support fund) or chapter 5 (military education and training) or chapter 6 (peacekeeping operations) or chapter 8 (anti-terrorism assistance) of this part;

CHAPTER 2—MILITARY ASSISTANCE

SEC. 504. AUTHORIZATION.—(a)(1) There are authorized to be appropriated to the President to carry out the purposes of this chapter not to exceed \$238,500,000 for the fiscal year 1982 and not to exceed ~~[\$238,500,000]~~ \$349,340,000 for the fiscal year 1983.

CHAPTER 4—ECONOMIC SUPPORT FUND

SEC. 531. AUTHORITY.—(a)(1) The Congress recognizes that under special economic, political, or security conditions the national interests of the United States may require economic support for countries or in amounts which could not be justified solely under chapter 1 of part I. In such cases, the President is authorized to furnish assistance to countries and organizations, on such terms and conditions as he may determine, in order to promote economic or political stability. In planning assistance intended for economic development under this chapter, the President shall take into account, to the maximum extent feasible, the policy directions of section 102.

(2) The Secretary of State shall be responsible for policy decisions and justifications for economic support programs under this chapter, including determinations of whether there will be an economic support program for a country and the amount of the program for each country. The Secretary shall exercise this responsibility in co-

operation with the Administrator of the agency primarily responsible for administering part I.

(3) *The Congress recognizes that the elimination of illicit drug crops in developing countries is of primary concern both to the governments of these countries and to the United States. The Congress also recognizes that illicit drug production often is related to the overall economic and security problems which a country is experiencing, and that assistance under this chapter should be used to address these problems. Therefore, in negotiating, planning, and administering programs under this chapter for countries in which there is significant illicit narcotics cultivation, priority consideration should be given to programs which would help to reduce illicit narcotics cultivation by stimulating broader development opportunities and strengthening the security of such countries.*

(b)(1) There are authorized to be appropriated to the President to carry out the purposes of this chapter \$2,623,500,000 for the fiscal year 1982 and **["\$2,723,500,000"]** \$2,883,750,000 for the fiscal year 1983.

* * * * *

SEC. 532. MIDDLE EAST PROGRAMS.—(a)(1) Of the funds authorized to be appropriated to carry out this chapter for the fiscal year 1982 and for the fiscal year 1983, not less than \$785,000,000 for each such year shall be available only for Israel and not less than \$750,000,000 for each such year shall be available only for Egypt. Amounts made available for Israel and Egypt for the fiscal year 1982 pursuant to this paragraph shall be in addition to the amounts made available to those countries pursuant to paragraph (4) of this subsection.

(2) All of the funds made available to Israel and to Egypt under this chapter for the fiscal years 1982 and 1983 shall be provided on a grant basis.

(3) The total amount of funds allocated for Israel under this chapter for the fiscal year 1982 and for the fiscal year 1983 may be made available as a cash transfer. In exercising the authority of this paragraph, the President shall ensure that the level of cash transfer made to Israel does not cause an adverse impact on the total amount of nonmilitary exports from the United States to Israel.

(4) In addition to the amounts requested for Israel and Egypt under this chapter for the fiscal year 1982, \$21,000,000 shall be made available for Israel for the fiscal year 1982 and \$21,000,000 shall be made available for Egypt for the fiscal year 1982 in order to replace the funds which were authorized and appropriated for those countries in the fiscal year 1981 but which were reprogrammed in order to provide assistance for Liberia and El Salvador.

(5) Of the amounts provided to Egypt under this chapter for the fiscal year 1982 and for the fiscal year 1983, up to \$50,000,000 for each such year may be used under title XII of chapter 2 of part I of this Act in building agricultural extension services in Egypt for the small farmer in order to upgrade the skills of the agricultural faculty in provincial universities, improve the agricultural curriculum offered and the equipment available in provincial universities, and

establish a provincial university extension service with an outreach program which can directly reach the Egyptian small farmer.

(b)(1) Of the funds authorized to be appropriated to carry out this chapter [for fiscal year 1982 and for the fiscal year 1983, \$11,000,000 for each such year], *\$11,000,000 for fiscal year 1982 and \$15,000,000 for fiscal year 1983* may be used for special requirements in the Middle East, including regional cooperative projects of a scientific and technological nature in accordance with paragraph (2) of this subsection, other regional programs, development programs on the West Bank and in Gaza, population programs, project development and support, and programs of participant training.

(2) It is the sense of the Congress that, in order to continue to build the structure of peace in the Middle East, the United States should finance, and where appropriate participate in, cooperative projects of a scientific and technological nature involving Israel and Egypt and other Middle East countries wishing to participate. These cooperative projects should include projects in the fields of agriculture, health, energy, the environment, education, water resources, and the social sciences. Of the funds available under paragraph (1) of this subsection for the fiscal year 1982 and for the fiscal year 1983, \$4,000,000 for each such year may be used in accordance with this paragraph for scientific and technological projects which will promote regional cooperation among Israel and Egypt and other Middle East countries.

(3) The President may obligate funds under paragraph (1) of this subsection only if, in accordance with the established prenotification procedures under section 634A of this Act, he transmits a report to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives, and to the Committee on Foreign Relations and the Committee on Appropriations of the Senate, at least 15 days prior to such obligation. This report shall set forth—

- (A) the name of the proposed recipient of such funds,
- (B) the amount of funds to be made available to such recipient and
- (C) the purpose for which such funds are to be made available.

(4) At the end of the fiscal year 1981, at the end of the fiscal year 1982, and the end of the fiscal year 1983, the President shall report to the Congress on the use of funds under this chapter during that fiscal year for special requirements in the Middle East.

* * * * *

SEC. 537. TUNISIA.—Of the funds authorized to be appropriated to carry out this chapter for the fiscal [years 1982 and 1983] *year 1982*, not less than \$5,000,000 [for each such year] shall be available for Tunisia.

SEC. 538. COSTA RICA.—Of the funds authorized to be appropriated to carry out this chapter for the fiscal [years 1982 and 1983]

year 1982, not less than \$15,000,000 [for each such year] shall be available only for Costa Rica for the purposes of economic assistance.

SEC. 539. NICARAGUA.—Of the funds authorized to be appropriated to carry out this chapter, \$20,000,000 for the fiscal year 1982 [and \$20,000,000 for the fiscal year 1983] shall be available only for Nicaragua.

SEC. 540A. SOUTHERN AFRICA PROGRAMS.—(a) In allocating funds under this chapter for the fiscal year 1983 for regional programs for southern Africa, consideration shall be given to assistance to Mozambique to improve the regional transportation infrastructure, including ports, railroads, and highways.

(b)(1) Funds made available to carry out this chapter for the fiscal year 1983 may be used to provide training within South Africa only if the recipients of the training will be able to receive the training in non-segregated institutions, will be allowed to use all the facilities of those institutions on a racially nondiscriminatory basis, and will not be legally prohibited from using their training in racially integrated organizations and institutions.

(2) If, because of the requirements of paragraph (1) or for any other reason, less than the amount requested for the fiscal year 1983 for training within South Africa is used for that purpose, then funds in an amount equal to difference between the amount requested for that purpose and the amount used for that purpose shall be used for the fiscal year 1983 for the scholarship program described in the last sentence of section 105(a) of this Act. Funds used pursuant to this paragraph shall be in addition to the funds required to be used for those scholarships by that sentence.

CHAPTER 5—INTERNATIONAL MILITARY EDUCATION AND TRAINING

SEC. 541. GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions consistent with this Act as the President may determine (but whenever feasible on a reimbursable basis), military education and training to military and related civilian personnel of foreign countries. Such training and education may be provided through—

- (1) attendance at military educational and training facilities in the United States (other than Service academies) and abroad;
- (2) attendance in special courses of instruction at schools and institutions of learning or research in the United States and abroad; and
- (3) observation and orientation visits to military facilities and related activities in the United States and abroad.

SEC. 542. AUTHORIZATION.—There are authorized to be appropriated to the President to carry out the purposes of this chapter \$42,000,000 for the fiscal year 1982 and ~~["\$42,000,000"]~~ \$45,237,000 for the fiscal year 1983.

SEC. 543. PURPOSES.—Education and training activities conducted under this chapter shall be designed—

(1) to encourage effective and mutually beneficial relations and increased understanding between the United States and foreign countries in furtherance of the goals of international peace and security;

(2) to improve the ability of participating foreign countries to utilize their resources, including defense articles and defense services obtained by them from the United States, with maximum effectiveness, thereby contributing to greater self-reliance by such countries; and

(3) to increase the awareness of nationals of foreign countries participating in such activities of basic issues involving internationally recognized human rights.

SEC. 544. EXCHANGE TRAINING.—*In carrying out this chapter, the President is authorized to provide for attendance of foreign military personnel at professional military education institutions in the United States (other than Service academies) without charge, and without charge to funds available to carry out this chapter (notwithstanding section 632(d)), if such attendance is pursuant to an agreement providing for the exchange of students on a one-for-one reciprocal basis each fiscal year between those United States professional military education institutions and comparable institutions of eligible foreign countries and international organizations.*

CHAPTER 6—PEACEKEEPING OPERATIONS

SEC. 551. GENERAL AUTHORITY.—The President is authorized to furnish assistance to friendly countries and international organizations, on such terms and conditions as he may determine, for peacekeeping operations and other programs carried out in furtherance of the national security interests of the United States. Such assistance may include reimbursement to the Department of Defense for expenses incurred pursuant to section 7 of the United Nations Participation Act of 1945, except that such reimbursements may not exceed \$5,000,000 in any fiscal year unless a greater amount is specifically authorized by this section.

SEC. 552. AUTHORIZATION OF APPROPRIATIONS.—(a) There is authorized to be appropriated to the President to carry out the purposes of this chapter, in addition to amounts otherwise available for such purposes, \$19,000,000 for the fiscal year 1982 and ~~["\$19,000,000"]~~ \$43,474,000 for the fiscal year 1983.

(b) Amounts appropriated under this section are authorized to remain available until expended.

(c) If the President determines that, as the result of an unforeseen emergency, the provision of assistance under this chapter in amounts in excess of funds otherwise available for such assistance is important to the national interests of the United States, the President may (1) exercise the authority of section 610(a) of this Act to transfer funds available to carry out chapter 4 of this part

for use under this chapter without regard to the 20-percent increase limitation contained in such section, except that the total amount so transferred in any fiscal year may not exceed \$15,000,000; or (2) in the event the President determines that unforeseen circumstances exist which require the immediate provision of assistance under this chapter, direct the drawdown of commodities and services from the inventory and resources of any agency of the United States Government of an aggregate value not to exceed \$10,000,000 in any fiscal year.

(d) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for commodities and services provided under subsection (c)(2) of this section.

* * * * *

CHAPTER 8—ANTI-TERRORISM ASSISTANCE

SEC. 571. GENERAL AUTHORITY.—(a) The President is authorized to furnish, on such terms and conditions as the President may determine, assistance to foreign countries in order to enhance the ability of their law enforcement personnel to deter terrorists and terrorist groups from engaging in international terrorist acts such as bombing, kidnaping, assassination, hostage taking, and hijacking. Such assistance may include training services and the provision of equipment and other commodities related to bomb detection and disposal, management of hostage situations, physical security, and other matters relating to the detection, deterrence, and prevention of acts of terrorism, the resolution of terrorist incidents, and the apprehension of those involved in such acts.

(b) Activities conducted under this chapter shall be designed—

(1) to enhance the law enforcement anti-terrorism skills of friendly countries by providing training and equipment to deter and counter terrorism;

(2) to strengthen our bilateral ties with friendly governments by offering concrete assistance in this area of great mutual concern; and

(3) to increase respect for human rights by sharing modern, humane, and effective anti-terrorism techniques with foreign civil authorities.

(c)(1) Training services under this chapter may be furnished only within the United States. United States Government personnel performing other services for a foreign country under this chapter may not be assigned or detailed to that country for more than 60 days.

(2) Assistance under this chapter may not include the furnishing of any defense articles or defense services (as such terms are defined under sections 644 (d) and (f) of this Act and sections 47 (3), (4), and (7) of the Arms Export Control Act).

(d) Assistance may not be provided under this chapter to any country for which one or more types of security assistance is prohibited under any other provision of law. For purposes of this limitation, the term "security assistance" means—

(1) assistance under chapter 2, chapter 4, chapter 5, or chapter 6 of this part;

(2) sales, extensions of credits (including participations in credits), or guarantees of loans under the Arms Export Control Act; and

(3) licenses under section 38 of the Arms Export Control Act. The President may waive this subsection with respect to a country if he certifies to the Congress that anti-terrorism assistance should be provided because that country is threatened by international terrorism and it is in the national interests of the United States to assist that country in responding to those terrorist threats.

(e) The Assistant Secretary of State for Human Rights and Humanitarian Affairs shall be consulted in the development and implementation of the anti-terrorism assistance program under this chapter, including determinations of the foreign countries that will be furnished assistance under this chapter and determinations of the nature of assistance to be furnished to each such country.

(f) No assistance may be furnished under this chapter until 30 days after the President transmits to the Speaker of the House of representatives and the chairman of the Committee on Foreign Relations of the Senate a list of those countries which are being considered as possible recipients of assistance under this chapter for the fiscal year 1983.

(g) Notwithstanding section 660 of this Act, services and commodities may be granted for the purposes of this chapter to eligible foreign countries, subject to reimbursement of the value thereof (as determined under section 644(m)) pursuant to section 632 of this Act from funds available to carry out this chapter.

(h) Whenever the President determines it to be consistent with and in furtherance of the purposes of this chapter, and on such terms and conditions consistent with this Act as the President may determine, any agency of the United States Government is authorized to furnish services and commodities, without charge to funds available to carry out this chapter, to an eligible foreign country, subject to payment in advance of the value thereof (as determined under section 644(m)) in United States dollars by the foreign country. Collections under this chapter shall be credited to the currently applicable appropriation, account, or fund of the agency providing such assistance.

(i) This chapter does not apply to information exchange activities conducted by agencies of the United States government under other authority for such purposes.

SEC. 572. AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the President to carry out this chapter \$5,000,000 for the fiscal year 1983. Amounts appropriated under this section are authorized to remain available until expended.

SEC. 573. ANNUAL REPORT.—Each annual report to the Congress pursuant to section 634 of this Act shall include—

(1) a list of the countries which received assistance under this chapter for the preceding fiscal year, a list of the countries which are programmed to receive assistance under this chapter for the current fiscal year, and a list of the countries which are proposed as recipients of assistance under this chapter for the next fiscal year; and

(2) with respect to each country listed pursuant to paragraph (1) and for each such fiscal year, a description of the assistance

under this chapter furnished, programmed, or proposed, including—

(A) the place where training or other services under this chapter were or will be furnished, the duration of such training or other services, and the number of personnel from that country which were or will receive training under this chapter;

(B) the types of equipment or other commodities which were or will be furnished under this chapter; and

(C) whether the assistance was furnished on a grant basis, on an advanced payment basis, or on some other basis.

SEC. 574. ADMINISTRATIVE AUTHORITIES.—*Except where expressly provided to the contrary, any reference in any law to part I of this Act shall be deemed to include reference to this chapter and any reference in any law to part II of this Act shall be deemed to exclude reference to this chapter.*

SEC. 575. EXPIRATION OF AUTHORITY.—*The authority of this chapter shall expire on September 30, 1984, except that funds obligated prior to that date may be expended after that date in accordance with this chapter.*

PART III

CHAPTER 1—GENERAL PROVISIONS

SEC. 614. SPECIAL AUTHORITIES.—(a)(1) The President may authorize the furnishing of assistance under this Act without regard to any provision of this Act, the Arms Export Control Act, any law relating to receipts and credits accruing to the United States, and any Act authorizing or appropriating funds for use under this Act, in furtherance of any of the purposes of this Act, when the President determines, and so notifies in writing the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, that to do so is important to the security interests of the United States.

(2) The President may make sales, extend credit, and issue guarantees under the Arms Export Control Act, without regard to any provision of this Act, the Arms Export Control Act, any law relating to receipts and credits accruing to the United States, and any Act authorizing or appropriating funds for use under the Arms Export Control Act, in furtherance of any of the purposes of such Act, when the President determines, and so notifies in writing the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate, that to do so is vital to the national security interests of the United States.

(3) Before exercising the authority granted in this subsection, the President shall consult with, and shall provide a written policy justification to, the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

[(4) The authority of this subsection may not be used to authorize the use of more than \$250,000,000 of funds made available for use under this Act or the Arms Export Control Act, or the use of more than \$100,000,000 of foreign currencies accruing under this Act or any other law, in any fiscal year. Not more than \$50,000,000 of the funds available under this subsection may be allocated to any one country in any fiscal year, unless such country is a victim of active Communist or Communist-supported aggression.]

(4)(A) The authority of this subsection may not be used in any fiscal year to authorize more than—

(i) \$750,000,000 in sales to be made under the Arms Export Control Act;

(ii) \$250,000,000 in funds to be made available for use under this Act or the Arms Export Control Act; and

(iii) \$100,000,000 of foreign currencies accruing under this Act or any other law.

(B) If the authority of this subsection is used both to authorize a sale under the Arms Export Control Act and to authorize funds to be used under the Arms Export Control Act or under this Act with respect to the financing of that sale, then the use of the funds shall be counted against the limitation in subparagraph (A)(ii) and the portion, if any, of the sale which is not so financed shall be counted against the limitation in subparagraph (A)(i).

(C) Not more than \$50,000,000 of the \$250,000,000 limitation provided in subparagraph (A)(ii) may be allocated to any one country in any fiscal year unless that country is victim of active Communist or Communist-supported aggression, and not more than \$500,000,000 of the aggregate limitation of \$1,000,000,000 provided in subparagraphs (A)(i) and (A)(ii) may be allocated to any one country in any fiscal year.

(5) The authority of this section may not be used to waive the limitations on transfers contained in section 610(a) of this Act.

* * * * *

SEC. 620. PROHIBITIONS AGAINST FURNISHING ASSISTANCE.—(a)

* * *

(y) Notwithstanding the provisions of subsection (f) of this section, the President may authorize the furnishing of assistance prohibited by that subsection if he determines and reports to the Congress that extending eligibility for such assistance is important to the security of the United States.

* * * * *

CHAPTER 2—ADMINISTRATIVE PROVISIONS

* * * * *

SEC. 634A. NOTIFICATION OF PROGRAM CHANGES.—[None] (a) None of the funds appropriated to carry out the purposes of this Act (except for programs under title III or title IV of chapter 2 of part I, chapter 5 of part I, and programs of disaster relief and rehabilitation) may be obligated for any activities, programs, projects, types of material assistance, countries, or other operations not jus-

tified, or in excess of the amount justified, to the Congress for obligation under this Act for any fiscal year unless the Committee on Foreign Relations of the Senate, the Committee on International Relations of the House of Representatives, and the Committee on Appropriations of each House of the Congress are notified fifteen days in advance of such obligation. Whenever a proposed reprogramming exceeds \$1,000,000 and the total amount proposed for obligation for a country under this Act in a fiscal year exceeds by more than \$5,000,000 the amount specified for that country in the report required by section 653(a) of this Act, notifications of such proposed reprogrammings shall specify—

- (1) the nature and purpose of such proposed obligations, and
- (2) to the extent possible at the time of the proposed obligation, the country for which such funds would otherwise have been obligated.

(b) The prenotification requirement of this section does not apply to the reprogramming of less than \$50,000 for use under chapter 8 of part I, or for use under chapter 5 of part II, for a country for which activities, programs, or projects under that chapter for that fiscal year were justified to the Congress.

CHAPTER 3—MISCELLANEOUS PROVISIONS

SEC. 644. DEFINITIONS.—As used in this Act—

(a) * * *

(m) "Value" means—

(1) with respect to an excess defense article, the actual value of the article plus the gross cost incurred by the United States Government in repairing, rehabilitating, or modifying the article, except that for purposes of section 632(d) such actual value shall not be taken into account;

(2) with respect to a nonexcess defense article delivered from inventory to foreign countries or international organizations under this Act, the acquisition cost to the United States Government, adjusted as appropriate for condition and market value;

(3) with respect to a nonexcess defense article delivered from new procurement to foreign countries or international organizations under this Act, the contract or production costs of such article;

(4) with respect to a defense service, the cost to the United States Government of such service; and

(5) with respect to military education and training or services provided under chapter 8 of part II of this Act, the additional costs that are incurred by the United States Government in furnishing such assistance.

SEC. 652. LIMITATION UPON EXERCISE OF SPECIAL AUTHORITIES.—The President shall not exercise any special authority granted to

him under section 506(a), 552(c)(2), or 610(a) of this Act unless the President, prior to the date he intends to exercise any such authority, notifies the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate in writing of each such intended exercise, the section of this Act under which such authority is to be exercised, and the justification for, and the extent of, the exercise of such authority.

SEC. 661. TRADE AND DEVELOPMENT PROGRAM.—(a) the President is authorized to work with friendly countries, especially those in which the United States development programs have been concluded or those not receiving assistance under part I of this Act, in (1) facilitating open and fair access to natural resources of interest to the United States and (2) stimulation of reimbursable aid programs consistent with part I of this Act. Any funds used for purposes of this section may be used notwithstanding any other provision of this Act.

(b) There are authorized to be appropriated to the President for purposes of this section, in addition to funds otherwise available for such purposes, \$6,907,000 for the fiscal year 1982 and ~~[\$6,907,000]~~ \$10,500,000 for the fiscal year 1983. Amounts appropriated under this subsection are authorized to remain available until expended.

SEC. 667. OPERATING EXPENSES.—(a) There are authorized to be appropriated to the President, in addition to funds otherwise available for such purposes—

(1) \$335,600,000 for the fiscal year 1982 and \$335,600,000 for the fiscal year 1983 for necessary operating expenses of the agency primarily responsible for administering part I of this Act, *except that funds made available to carry out chapter 4 of part II shall be used for the operating expenses directly attributable to the design, implementation, monitoring, and evaluation of programs under that chapter; and*

(2) such amounts as may be necessary for increases in salary, pay, retirement, and other employee benefits authorized by law, and for other nondiscretionary costs of such agency.

(b) Amounts appropriated under this section are authorized to remain available until expended.

SECTION 728 OF THE INTERNATIONAL SECURITY AND DEVELOPMENT COOPERATION ACT OF 1981

RESTRICTIONS ON MILITARY ASSISTANCE AND SALES TO EL SALVADOR

SEC. 728. (a) (1) The Congress finds that peaceful and democratic development in Central America is in the interest of the United States and of the Community of American States generally, that the recent civil strife in El Salvador has caused great human suffering and disruption to the economy of that country, and that substantial assistance to El Salvador is necessary to help alleviate that suffering and to promote economic recovery within a peaceful and

democratic process. Moreover, the Congress recognizes that the efforts of the Government of El Salvador to achieve these goals are affected by the activities of forces beyond its control.

(2) Taking note of the substantial progress made by the Government of El Salvador in land and banking reforms, the Congress declares it should be the policy of the United States to encourage and support the Government of El Salvador in the implementation of these reforms.

(3) The United States also welcomes the continuing efforts of President Duarte and his supporters in the Government of El Salvador to establish greater control over the activities of members of the armed forces and government security forces. The Congress finds that it is in the interest of the United States to cooperate with the Duarte government in putting an end to violence in El Salvador by extremist elements among both the insurgents and the security forces, and in establishing a unified command and control of all government forces.

(4) The United States supports the holding of free, fair, and open elections in El Salvador at the earliest date. The Congress notes the progress being made by the Duarte government in this area, as evidenced by the appointment of an electoral commission.

(b) In fiscal years 1982 and 1983, funds may be obligated for assistance for El Salvador under chapter 2 or 5 of part II of the Foreign Assistance Act of 1961, letters of offer may be issued and credits and guarantees may be extended for El Salvador under the Arms Export Control Act, and members of the Armed Forces may be assigned or detailed to El Salvador to carry out functions under the Foreign Assistance Act of 1961 or the Arms Export Control Act, only if not later than thirty days after the date of enactment of this Act and every one hundred and eighty days thereafter, the President makes a certification in accordance with subsection (d).

(c) If the President does not make such a certification at any of the specified times then the President shall immediately—

(1) suspend all expenditures of funds and other deliveries of assistance for El Salvador which were obligated under chapters 2 and 5 of part II of the Foreign Assistance Act of 1961 after the date of enactment of this Act;

(2) withhold all approvals for use of credits and guarantees for El Salvador which were extended under the Arms Export Control Act after the date of enactment of this Act;

(3) suspend all deliveries of defense articles, defense services, and design and construction services to El Salvador which were sold under the Arms Export Control Act after the date of enactment of this Act; and

(4) order the prompt withdrawal from El Salvador of all members of the Armed Forces performing defense services, conducting international military education and training activities, or performing management functions under section 515 of the Foreign Assistance Act of 1961.

Any suspension of assistance pursuant to paragraphs (1) through (4) of this subsection shall remain in effect during fiscal year 1982 and during fiscal year 1983 until such time as the President makes a certification in accordance with subsection (d).

(d) The certification required by subsection (b) is a certification by the President to the Speaker of the House of Representatives and to the chairman of the Committee on Foreign Relations of the Senate of a determination that the Government of El Salvador—

(1) is making a concerted and significant effort to comply with internationally recognized human rights;

(2) is achieving substantial control over all elements of its own armed forces, so as to bring to an end the indiscriminate torture and murder of Salvadoran citizens by these forces;

(3) is making continued progress in implementing essential economic and political reforms, including the land reform program;

[(4) is committed to the holding of free elections at an early date and to that end has demonstrated its good faith efforts to begin discussions with all major political factions in El Salvador which have declared their willingness to find and implement an equitable political solution to the conflict, with such solution to involve a commitment to—

[(A) a renouncement of further military or paramilitary activity; and

[(B) the electoral process with internationally recognized observers.]]

(4) is either—

(A) *actively engaged in good faith in a dialogue with all major parties willing to participate in the democratic process to bring about an equitable political solution to the hostilities within the context of free and fair elections, including the extension of amnesty, a cease-fire, and international security safeguards if necessary; or*

(B) *unable to proceed with such a dialogue because the opposition is unwilling to participate.*

Each such certification shall discuss fully and completely the justification for making each of the determinations required by paragraphs (1) through (4). *In making the determinations required by this section, the President shall consult with the Congress.*

(e) On making the first certification during fiscal year 1983 under subsection (b) of this section, the President shall also certify to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate that he has determined that the Government of El Salvador has made good faith efforts both to investigate the murders of the six United States citizens in El Salvador in December 1980 and January 1981 and to bring to justice those responsible for those murders.

(f) *Prior to the use of the special drawdown authority contained in section 506 of the Foreign Assistance Act of 1961 or the extension of the waiver authority under section 614(a) of that Act for El Salvador, the President shall consult with the Congress. In addition, any decision to invoke such authority under those sections shall take into account to the maximum extent possible the certification criteria established under subsection (d) of this section.*

AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE
ACT OF 1954

* * * * *

TITLE II

* * * * *

SEC. 202. (a) The President may furnish commodities for the purposes set forth in section 201 through such friendly governments and such agencies, private or public, including intergovernmental organizations such as the world food program and other multilateral organizations in such manner and upon such terms and conditions as he deems appropriate. The President shall, to the extent practicable, utilize nonprofit voluntary agencies registered with, and approved by, the Agency for International Development. If no United States nonprofit voluntary agency registered with and approved by the Agency for International Development is available, the President may utilize a foreign nonprofit voluntary agency which is registered with and approved by the Agency for International Development. Insofar as practicable, all commodities furnished hereunder shall be clearly identified by appropriate marking on each package or container in the language of the locality where they are distributed as being furnished by the people of the United States of America. Except in the case of emergency, the President shall take reasonable precaution to assure that commodities furnished hereunder will not displace or interfere with sales which might otherwise be made.

(b) (1) Assistance to needy persons under this title shall be directed, insofar as practicable, toward community and other self-help activities designed to alleviate the causes of need for such assistance.

(2) In order to assure that food commodities made available under this title are used effectively and in the areas of greatest need, entities through which such commodities are distributed shall be encouraged to work with indigenous institutions and employ indigenous workers, to the extent feasible, to assess nutritional and other needs of beneficiary groups, help these groups design and carry out mutually acceptable projects, recommend ways of making food assistance available that are most appropriate for each local setting, supervise food distribution, and regularly evaluate the effectiveness of each project.

(3) In distributing food commodities under this title, priority shall be given, to the extent feasible, to those who are suffering from malnutrition by using means such as (A) giving priority within food programs for preschool children to malnourished children, and (B) giving priority to the poorest regions of countries. *In the case of commodities distributed under this title by nonprofit voluntary agencies, consideration shall be given to nutritional and development objectives as established by those agencies in light of their assessment of the needs of the people assisted.*

* * * * *

TITLE III

* * * * *

SEC. 302. (a) Whenever the President, in consultation with the government of a developing country, determines that such developing country meets the criteria specified in subsection (b) of this section and could benefit from the sale of United States agricultural commodities (including processed and blended foods) for the purposes of generating funds or distributing such commodities for agricultural and rural development, and improving food distribution and use within such country, the President may designate such country as eligible for a Food for Development Program.

(b) In order to be eligible for a Food for Development Program under this section, a country must (1) have a need for external resources to improve its food production, marketing, distribution, and storage systems; (2) meet the criterion used to determine basic eligibility for development loans of the International Development Association of the International Bank for Reconstruction and Development; (3) have the ability to utilize effectively the resources made available by the sale of food commodities under this section for the purposes specified in clause (1) of this subsection; and (4) indicate the willingness to take steps to improve its food production, marketing, distribution, and storage systems.

(c)(1) Except as provided in paragraph (2) of this subsection, the aggregate value of all agreements entered into under this title—

(A) for fiscal year 1978, shall be not less than 5 percent,

(B) for fiscal year 1979, shall be not less than 10 percent, and

(C) for fiscal year 1980 and each fiscal year thereafter, shall be not less than 15 percent.

of the aggregate value of all agreements entered into under title I of this Act for such fiscal year.

(2) The President may waive the requirement of paragraph (1) of this subsection with respect to a fiscal year if he determines that there are an insufficient number of agricultural and rural development projects which qualify for assistance under this title and that therefore the humanitarian purposes of this Act would be better served by furnishing financing under other provisions of this Act. Any such waiver shall be reported to the Congress, together with a detailed statement of the reasons for the lack of acceptable projects and a detailed description of efforts by the United States Government to assist eligible countries, pursuant to section 303(a), in identifying appropriate projects for assistance under this title.

(3) Greatest efforts shall be made by relevant United States agencies to encourage maximum utilization of assistance for Food for Development projects under this title, even beyond the minimums required by paragraph (1) of this subsection. *The target in carrying out this subsection shall be to have the aggregate value of all agreements entered into under this title in a fiscal year equal at least 20 percent of the aggregate value of all agreements entered into under title I of this Act for that fiscal year. If this target is not reached for a fiscal year, the President shall submit to the Congress a detailed statement of the reasons for the lack of acceptable projects and a detailed description of the efforts of the United States Gov-*

ernment to assist eligible countries, pursuant to section 303(a), in identifying appropriate projects for assistance under this subsection.

(4) In developing and carrying out Food for Development Programs under this title, consideration shall be given to using the capability and expertise of American agriculture and of United States nonprofit voluntary agencies and cooperatives, in partnership with indigenous individuals and organizations, in furthering economic development and increased food production.

(d) In order to help lessen the severity of food shortages in famine-prone countries, the agreements entered into under this title each fiscal year shall, to the extent feasible, provide that commodities made available under those agreements, or funds generated from the sale of those commodities in participating countries, shall be used to establish rural projects at the farm and village level in famine-prone countries, especially those in Sub-Saharan Africa, emphasizing postharvest food conservation and including (to the maximum extent feasible) participation by a representative number of the beneficiaries in the design of projects. Each agreement implementing this subsection shall specify the measures to be taken to ensure that the use of commodities and funds benefits primarily the poor.

* * * * *

PEACE CORPS ACT

* * * * *

AUTHORIZATION

SEC. 3. (a) The President is authorized to carry out programs in furtherance of the purposes of this Act, on such terms and conditions as he may determine.

(b) There are authorized to be appropriated to carry out the purposes of this Act for the fiscal year 1982 not to exceed \$105,000,000 and for the fiscal year 1983 not to exceed ~~["\$105,000,000"]~~ \$112,000,000: *Provided, however,* That not to exceed \$500,000 of funds made available hereunder for fiscal year 1967 shall be obligated under contracts or agreements to carry out research: *Provided further,* That no such contracts or agreements shall be executed unless the research in question relates to the basic responsibilities of the Peace Corps. Unobligated balances of funds made available hereunder are hereby authorized to be continued available for the general purposes for which appropriated and may at any time be consolidated with appropriations hereunder. None of the funds authorized to carry out the purposes of this Act shall be used to carry out the Volunteers to America Program conducted under the Mutual Educational and Cultural Exchange Act of 1961, as amended (22 U.S.C. 2451 et seq.), or any similar program involving the service or training of foreign nationals in the United States.

* * * * *

PEACE CORPS VOLUNTEER LEADERS

SEC. 6. The President may enroll in the Peace Corps qualified citizens or nationals of the United States whose services are required for supervisory or other special duties or responsibilities in connection with programs under this Act (referred to in this Act as "volunteer leaders"). The ratio of the total number of volunteer leaders to the total number of volunteers in service at any one time shall not exceed one to twenty-five. Except as otherwise provided in this Act, all of the provisions of this Act applicable to volunteers shall be applicable to volunteer leaders, and the term "volunteers" shall include "volunteer leaders": *Provided, however, That—*

(1) volunteer leaders shall be entitled to receive a readjustment allowance at a rate not ~~to exceed~~ *less than* \$125 for each month of satisfactory service as determined by the President;

(2) spouses and minor children of volunteer leaders may receive such living, travel, and leave allowances, and such housing, transportation, subsistence, and essential special items of clothing, as the President may determine, but authority contained in this paragraph shall be exercised only under exceptional circumstances;

(3) spouses and minor children of volunteer leaders accompanying them may receive such health care as the President may determine and upon such terms as he may determine, including health care in any facility referred to in section 5(e) of this Act, subject to such conditions as the President may prescribe in section 5(e); and

(4) spouses and minor children of volunteer leaders accompanying them may receive such orientation, language, and other training necessary to accomplish the purposes of this Act as the President may determine.

* * * * *

SECTION 6 OF THE EXPORT ADMINISTRATION ACT OF 1979

FOREIGN POLICY CONTROLS

SEC. 6. (a) AUTHORITY.—(1) In order to carry out the policy set forth in paragraph (2)(B), (7), or (8) of section 3 of this Act, the President may prohibit or curtail the exportation of any goods, technology, or other information subject to the jurisdiction of the United States or exported by any person subject to the jurisdiction of the United States, to the extent necessary to further significantly the foreign policy of the United States or to fulfill its declared international obligations. The authority granted by this subsection shall be exercised by the Secretary, in consultation with the Secretary of State and such other departments and agencies as the Secretary considers appropriate, and shall be implemented by means of export licenses issued by the Secretary.

(2) Export controls maintained for foreign policy purposes shall expire on December 31, 1979, or one year after imposition, whichever is later, unless extended by the President in accordance with subsections (b) and (e). Any such extension and any subsequent extension shall not be for a period of more than one year.

(3) Whenever the Secretary denies any export license under this subsection, the Secretary shall specify in the notice to the applicant of the denial of such license that the license was denied under the authority contained in this subsection, and the reasons for such denial, with reference to the criteria set forth in subsection (b) of this section. The Secretary shall also include in such notice what, if any, modifications in or restrictions on the goods or technology for which the license was sought would allow such export to be compatible with controls implemented under this section, or the Secretary shall indicate in such notice which officers and employees of the Department of Commerce who are familiar with the application will be made reasonably available to the applicant for consultation with regard to such modifications or restrictions, if appropriate.

(4) In accordance with the provisions of section 10 of this Act, the Secretary of State shall have the right to review any export license application under this section which the Secretary of State requests to review.

* * * * *

(1) *EXTENSION OF CERTAIN CONTROLS.*—Those export controls imposed for foreign policy purposes which were in effect on December 31, 1981, shall remain in effect until December 31, 1982. After December 31, 1982, any such controls may be extended by the President in accordance with subsections (b) and (e) of this section.

ADDITIONAL VIEWS OF HON. JONATHAN B. BINGHAM,
HON. DANTE B. FASCELL, HON. BENJAMIN S. RO-
SENTHAL, HON. LEE H. HAMILTON, HON. DON BONKER,
HON. HOWARD WOLPE, HON. SAM GEJDENSON, HON.
MERVYN M. DYMALLY, AND HON. DENNIS E. ECKART

We and many others who have strongly supported U.S. foreign aid over the years have done so in part because of the contribution our aid program makes toward assisting people in the Third World countries to overcome chronic hunger and poverty, and move toward self-sustaining economic development. We have worked to maintain a reasonable balance between U.S. development assistance directed toward underlying social and economic problems in the least developed countries, on the one hand, and security assistance, geared toward overcoming more immediate crises through the provision of Economic Support Funds and military assistance, on the other.

Last year's legislation—both the authorization for fiscal years 1982 and 1983 (Public Law 97-113) and the appropriation measures—maintained such a balance. In fact, retaining a significant proportion of development assistance in the total package was indispensable to commanding the broad support needed to pass the legislation.

The fiscal year 1983 supplemental authorization bill we are now reporting out lacks the kind of balance we worked hard to achieve last year. It provides \$777.9 million in additional authority over the levels authorized in Public Law 97-113. Of that amount, the increments are \$674.3 million for security assistance yet only \$64.3 million for development aid. (Other miscellaneous items account for the remaining \$39.3 million.) Military assistance increases as a percentage of the total foreign aid package from 18.1 percent in Public Law 97-113 to 23.7 percent in H.R. 6370. The addition in H.R. 6370 of off-budget loan guarantees for foreign military sales of \$778 million (a 20 percent rise over the level in Public Law 97-113) makes the imbalance all the more serious.

U.S. security in a turbulent world cannot be assured through balance of payments support and military aid to countries with chronic poverty and widespread malnutrition. Until substantial progress is made to alleviate such human suffering, shorter term remedies will provide at best stop-gap security. We would like to see our nation identified with providing food and fertilizer, training and technical assistance, not tanks and fighter aircraft, capital goods and budget support—although in certain circumstances they, too, may be needed.

Unfortunately the Administration did not realize—and may not even believe—that a larger proportion of development assistance would make for a stronger foreign aid bill overall. We wish the Administration had requested more development assistance as a

sound investment in more durable U.S. security—and we would have been pleased to work to help provide it. Instead, our major contribution on the development side was to increase the authorization for International Organizations and Programs by \$21.4 million. The Committee's figure is still fully \$15 million short of what the House approved last year.

Like the Administration's request itself, our Committee's time was disproportionately spent reviewing "emergency" needs for security assistance. We seem to have lost sight of the chronic emergency in which more than a billion of the world's poorest people find themselves year after year. Their needs deserve fuller attention by the Congress and the Administration to support more accelerated action by AID, the Peace Corps, U.S. private and voluntary organizations, and the United Nations family of agencies than this legislation will make possible.

We thus express our hope that this year's legislative process and product represent a temporary aberration from the Committee's historic concern for the development of poorer countries and not a trend toward a new U.S. emphasis on security assistance as the preferred form of U.S. aid to the Third World.

JONATHAN B. BINGHAM.
DANTE B. FASCELL.
BENJAMIN S. ROSENTHAL.
LEE H. HAMILTON.
DON BONKER.
HOWARD WOLPE.
SAM GEJDENSON.
MERVYN M. DYMALLY.
DENNIS E. ECKART.

MINORITY VIEWS OF HON. GERRY E. STUDDS

It is with regret that I dissociate myself from H.R. 6370 and announce my intention to vote against it on the floor.

Congress last year enacted an authorization bill (Public Law 97-113) covering both fiscal year 1982 and fiscal year 1983. Signed into law in late December, it represented the careful balancing of policies, funding levels, and interests necessary to achieve a Congressional majority. Yet before the ink was dry, the Administration requested an "emergency" fiscal year 1983 supplemental authorization of far-reaching consequences. In my view, the Committee would have been well-advised to stay with the legislation already enacted for fiscal year 1983, rather than taking on what has become a package of wide-ranging changes.

The Administration's fiscal year 1983 supplemental request proposed additional authorizations of \$1.2 billion in security assistance (both military aid and the Economic Support Fund) as against \$76 million for development assistance. Quite apart from the merits of the request, the disproportionate add-ons on the security side would themselves be enough to destroy the balance with development assistance struck in last year's legislation.

The Committee made surprisingly few changes in the Administration's request. It reduced military and ESF allocations for several African countries, but increased military assistance and direct credits for several others elsewhere, leaving the overall balance no more favorable to development assistance than in the Administration's request.

The Committee gave the Administration almost all of what it wanted in aggregate levels of military assistance. It did cut the Administration's request for Foreign Military Sales credits by opting instead for a mix of grants and loan guarantees. The result, however, was to increase substantially both the FMS loan guarantee levels and the amounts of grant military assistance over those provided in Public Law 97-113.

In addition to reporting a bill we are under no obligation to report and acceding to an Administration request which destroys a balanced foreign aid program, the Committee has taken a number of individual actions which I find distressing. These include:

Refusing to affirm that the U.S. is bound by Article 18 of the Charter of the Organization of American States, which pledges its signatories not to engage in external or internal intervention in countries in the region. In view of the Administration's repeated unwillingness to commit itself to abide by this provision, I regret that the Committee did not place itself on record on the side of U.S. respect for international law and treaty obligations.

Increasing funds for El Salvador under the Foreign Military Sales program from \$25 million to \$60 million. In my view, the situation there is far too precarious to justify more than doubling our

authorized military assistance. Such an increase is not supported by the American public and conveys precisely the wrong message to the security forces of that country.

Failing to delete \$50,000 each requested by the Administration for International Military Education and Training for Argentina and Chile. The Committee's action signals a most unfortunate weakening of human rights concern which is not, I trust shared by the House as a whole.

Refusing to take a recorded vote on reporting out H.R. 6370. If the measure is as urgent as claimed, its supporters should be willing to be identified with it on the record. If the bill fails to reach the floor but shows up as one of many items in a governmentwide continuing resolution for fiscal year 1983 appropriations, its supporters will have escaped without even having to identify themselves.

Those who have traditionally supported foreign aid legislation because it underwrites programs to address human needs among the world's poorest people may, for all these reasons, wish to join me in voting against H.R. 6370, if indeed an opportunity presents itself.

GERRY E. STUDDS.

ADDITIONAL VIEWS OF HON. GEO. W. CROCKETT, JR.

I cannot lend my support to the fiscal year 1983 supplementals that would amend the Foreign Assistance Act and the Arms Export Control Act.

I don't wish to convey the impression that I am opposed to all foreign assistance. I am not. But by reporting this bill out favorably, the Committee is authorizing a foreign assistance bill that is skewed in favor of increased levels of military assistance to foreign nations at the expense of badly needed increases in economic and developmental assistance to those same countries. We will be authorizing approximately \$539 million more in military assistance over and above the \$1.1 billion already authorized and another \$778 million in so-called "of budget" military loan guarantees. In contrast to these new levels of security assistance, we will only be increasing development assistance by approximately \$32 million.

The bulk of this arms bonanza will be awarded to two countries in the most volatile and unstable region of our world. If these authorization levels are approved, Israel will receive a total weapons package of \$1.7 billion, of which \$750 million will never have to be repaid; while Egypt will be awarded a total of \$1.4 billion, of which \$400 million will never have to be repaid.

These levels of aid, to say the least, are immense. They are also excessive. The total amount of U.S. aid to Israel alone is greater than all U.S. federal spending in this fiscal year on public education, public transportation, and alternative energy resources. The total military aid package to Egypt approximates the administration's 1982 reductions in entitlement programs.

In my opinion, these levels of military assistance are ludicrous and are more threatening to security in the Middle East than boundary disputes, ethnic and nationalistic antagonisms, religious conflicts, or superpower rivalries.

I do know that the state of Michigan, with the highest unemployment rate in the nation at 16 percent, could desperately use these billions of dollars that are now being used to buy and maintain U.S. arms. In my congressional district in Detroit, unemployment now stands at 23 percent, while teenage unemployment is about twice as high. This means that almost one in four adult workers in my district is out of work. My district is not suffering from a recession but a full-blown depression. I don't believe that I would be far off in saying that my district probably has one of the highest, if not the highest, unemployment rates of any congressional district in the nation.

When I consider this sad and depressing reality, I cannot in good conscience lend my support to a foreign assistance bill that aggrandizes the arms race at the expense of economic and social development both at home and around the world.

GEO. W. CROCKETT, JR.

SUPPLEMENTAL VIEWS OF HON. WILLIAM S. BROOMFIELD

For several years now, I have felt a deep sense of frustration regarding the situation in the Eastern Mediterranean. One only has to examine the transcript concerning the Committee's consideration of the foreign assistance supplemental in order to more fully understand that it is a concern shared by many of my colleagues.

While providing for Western security in the Eastern Mediterranean, I believe that our government's policy of military assistance for that region has become increasingly tilted toward Turkey without having achieved a settlement of the Cyprus issue. If the Southern Flank of NATO is to be truly strengthened, it is imperative that the Administration continue to place a high priority on resolving the Cyprus dispute, and maintain an evenhanded policy toward Greece and Turkey. In this regard, I am pleased that the Committee continued the 7:10 ratio of military assistance for both of these countries. Moreover, as the Committee made clear in accepting report language I proposed with respect to Economic Support Fund assistance for Turkey, none of these funds should be used to aggravate the dispute on Cyprus.

I am also gratified by the Committee's actions in relation to the recommendations made by my Subcommittee on International Security and Scientific Affairs. By approving the use of FMS administrative funds for representational activities, by authorizing the U.S. Government to sell defense articles and defense service publications to American firms to be used in the assembly of end-use items, and by exempting reprogramming notices to the Congress under \$50,000 for international narcotics control and International Military Education and Training (IMET), we provide the Administration with some small but important flexibility in the conduct of its security assistance programs.

I also believe that the Committee acted responsibly in accepting the Subcommittee's recommendations providing for two new security-related programs which, although modest in cost, are significant in value, as instruments of U.S. policy. In particular, the Committee approved, with an amendment, a foreign military training program which would allow exchanges between U.S. and foreign professional military personnel on a one-for-one reimbursement-in-kind basis. This new program will further contribute to increased rapport and understanding with the professional leadership of the armed forces of friendly foreign countries. Equally important, the Committee, with certain modifications, adopted the Administration's proposal to provide for a new antiterrorism assistance program designed not only to enhance the capabilities of friendly governments to deter, prevent, and react to terrorist incidents, but also to enhance the ability of foreign countries to protect U.S. missions and American citizens abroad.

Finally, I am concerned over the Committee's action in regard to the extension of certain export controls over such countries as South Africa. For national security reasons, including American access to strategic resources, I believe that we should not exacerbate our relationships with South Africa. Also, at a time of high unemployment and plunging business profits in our nation, we should not be penalizing competitive American firms in the international marketplace.

Most importantly, the Administration did assure the Committee that it would continue to review commercial export cases carefully to determine whether any reimposition of foreign policy controls is warranted under the Export Administration Act, and that it would continue to discuss significant cases with the Committee in advance of licensing.

WILLIAM S. BROOMFIELD.

SUPPLEMENTAL VIEWS OF HON. EDWARD J. DERWINSKI

The world grows ever more complex. The United States, as the leader of the Free World, finds itself necessarily involved in most of the world trouble spots. For example, in the case of the Falklands, we tried to play the role of honest broker only to run into criticism from all sides. The House Committee, in its well intended but often contradictory decisions, tends to contribute in a negative rather than a positive manner in the formation of foreign policy.

The Committee has its code language, including "sending signals" and justifiably expressing interest in negative internal developments in many countries. However, since foreign policy is the basic responsibility of the Chief Executive, and by delegation of authority becomes the heavy burden of the Secretary of State, too many Members of the Committee often place themselves in an adversary, rather than cooperative, relationship with the Administration on foreign policy.

For example, the Committee, after some false starts, increased U.S. military assistance to Greece (which was not requested by the Administration) in order to maintain a 7 to 10 ratio of military assistance between Greece and Turkey. The lack of progress in settling the Cyprus partition and the evident lack of progress toward restoring democratic rule to Turkey seemed to have escaped the Committee's attention despite its normal zealotry over anything labeled "human rights".

However, members of the committee saw fit during debate to criticize the Government of Argentina, which was hardly great timing, since Secretary Haig was frantically seeking ways to terminate the Falkland Islands dispute and did not need the additional burden of the Committee's verbal assault on the Argentine Government. Criticism of the human rights record in Argentina is certainly justified, but there is an obvious diplomatic consideration present that made a much better case for deferring any special concern at this time.

The Committee concurred with the Administration request and provided a \$5 million supplemental authorization for an antiterrorism program. Yet the Committee made its annual effort to reduce military assistance to Morocco, which is facing a guerrilla war in the Sahara being waged by the Polisario Front which, in turn, has ties with the Governments of Algeria and Libya and thus has been part of the web involving world wide terrorist activity.

The Committee engaged in its annual criticism of internal policies of the Government of Zaire despite the fact that there is no practical alternative to the existing administration there. Ironically, the verbal assault on Zaire was led by a number of the Members who are staunch supporters of Israel, and two days after the Committee slashed funds for Zaire from \$20 to \$4 million, the Gov-

ernment of Zaire restored diplomatic relations with Israel. Need I say more?

The Members' attention should also be directed to the Committee decision to provide the Administration with waiver authority under Section 620(Y), which allows foreign assistance to communist countries, in order to qualify the People's Republic of China for such a designation. A critique of the human rights record of the P.R.C. somehow escaped Committee consideration.

I could go on, but I trust I have made my point. We live in an ever more complex, interdependent world, and the International Security and Development Cooperation Act and related programs are a necessary tool in the conduct of foreign policy. However, for foreign policy to be effective, a more diplomatic pattern of decision making at the committee level would be helpful to our foreign policy aspirations. There is still considerable merit to Senator Vandenburg's historic statement that "politics stops at the water's edge".

EDWARD J. DERWINSKI.

○